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1905

FIFTY-FIRST ANNUAL REPORT



OF THE

BOARD OF DIRECTORS

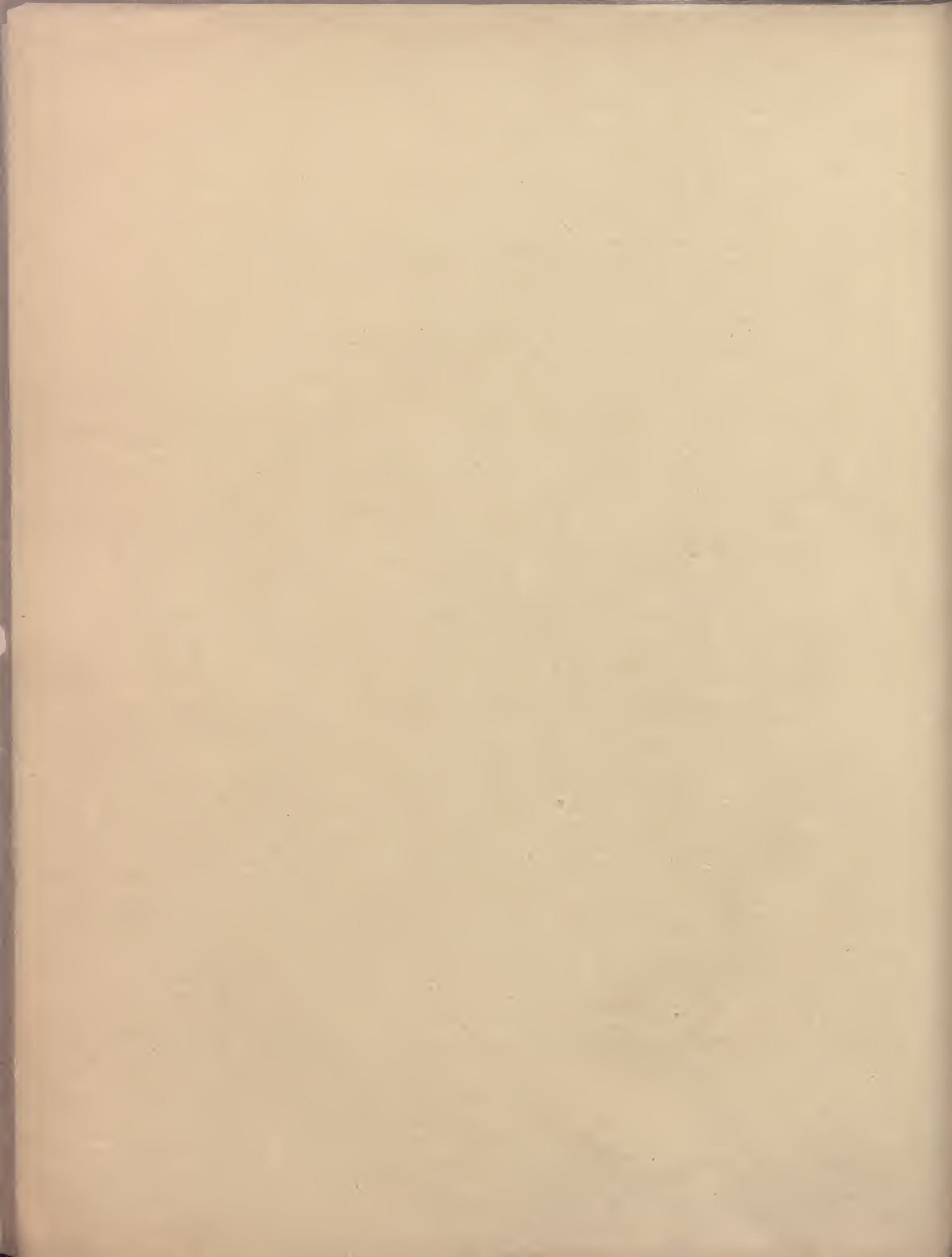
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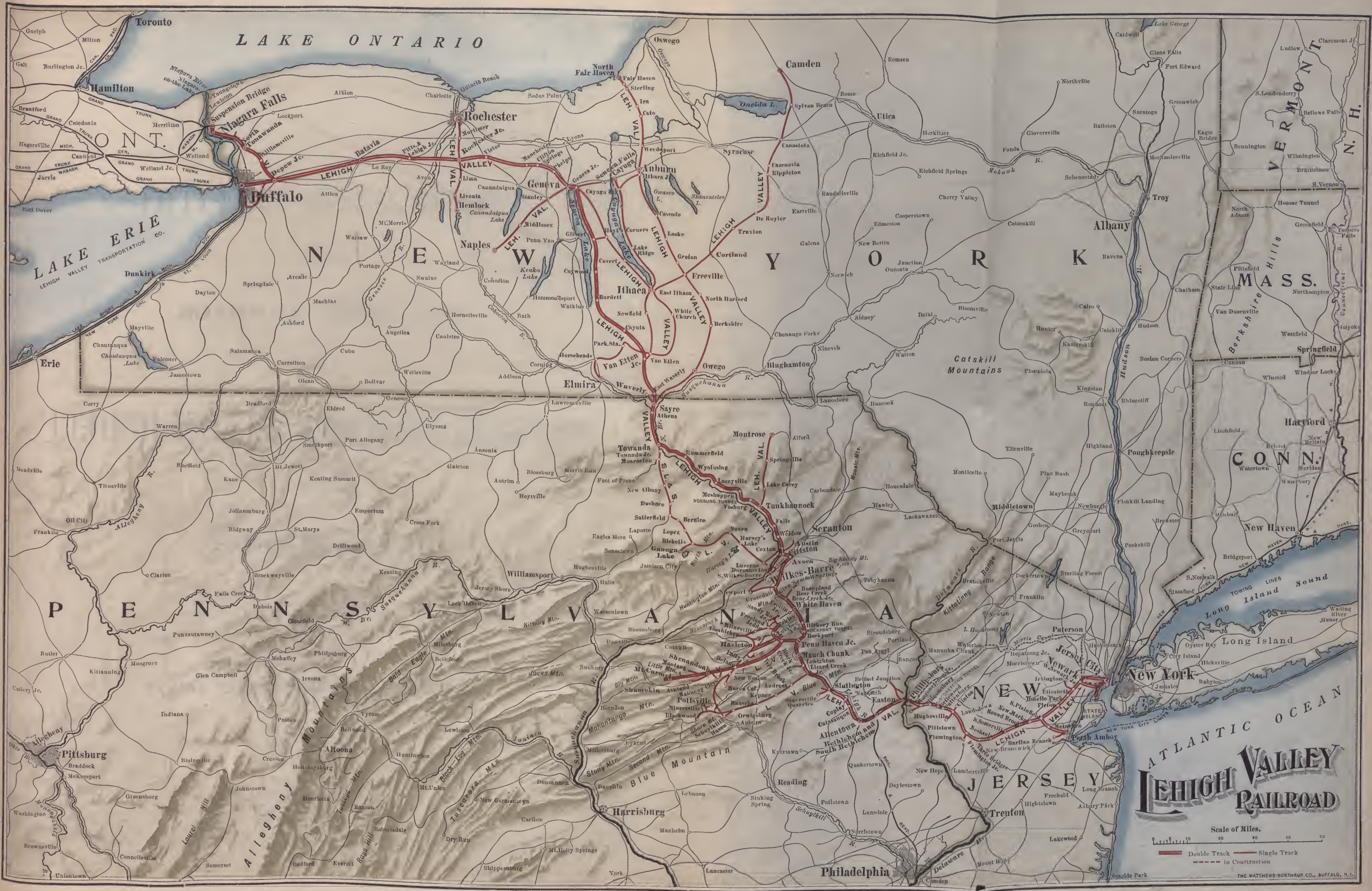
LEHIGH VALLEY RAILROAD COMPANY

TO THE

STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30TH, 1905.





LEHIGH VALLEY RAILROAD

Scale of Miles.
0 10 20 30 40 50

Double Track Single Track
in Construction

THE MATTHEWS-NORTHROP CO., BUFFALO, N. Y.

ОБЛАСТЬ АМЪА

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COMPLIMENTS OF
D. G. BAIRD.

FIFTY-FIRST ANNUAL REPORT

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BOARD OF DIRECTORS

OF THE

LEHIGH VALLEY RAILROAD COMPANY

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FISCAL YEAR ENDED JUNE 30TH, 1905.



LEHIGH VALLEY RAILROAD COMPANY

BOARD OF DIRECTORS

GEORGE F. BAER

GEORGE F. BAKER

ALEXANDER B. COXE

ROBERT C. LIPPINCOTT

GEORGE H. McFADDEN

ABRAM NESBITT

EDWARD B. SMITH

IRVING A. STEARNS

CHARLES STEELE

EDWARD T. STOTESBURY

H. McK. TWOMBLY

JOSEPH WHARTON

OFFICERS

President

E. B. THOMAS

First Vice-President

J. A. MIDDLETON

Second Vice-President

J. W. PLATTEN

G. N. WILSON *General Auditor*

W. C. ALDERSON *Treasurer*

D. G. BAIRD *Secretary*

FIFTY-FIRST ANNUAL REPORT

PHILADELPHIA, August 24th, 1905.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors herewith submit the fifty-first annual report of the business of your Company and its allied interests for the fiscal year ended June 30th, 1905.

MILEAGE

The mileage of railroads owned and operated by the Lehigh Valley System, the main line of which extends from Jersey City, N. J., to Buffalo, N. Y., is as follows:—

	MILES
Owned, or controlled by ownership of entire capital stock	1,131.07
Controlled by ownership of majority of capital stock	184.57
Controlled by leases	27.88
Total mileage operated (owned and controlled)	1,343.52
Trackage rights over railroads owned by other companies	49.37
Total mileage	1,392.89

—of which 575.80 miles, or 41.34 per cent., have second track, and 35.28 miles have third track. There are also 999.33 miles of yard tracks and sidings on the system.

The decrease of .52 miles of first track is due to minor changes in various colliery branches, and the increase of 1.45 miles of second track to the construction of additional track on the Buffalo Division, 1.49 miles, less revision of Mountain Cut-off .04 miles.

That portion of the Easton & Northern Railroad extending from Easton to Belfast, Pa., formerly leased to the Bangor & Portland Railway Company, has been included under the heading "Owned, or controlled by ownership of entire capital stock," the lease having been terminated during the year.

EARNINGS AND EXPENSES

The following statement shows the gross earnings, expenses, and net earnings from operations for the fiscal year, entire system, not including other income.

For comparative purposes, similar figures are also given for the fiscal year of 1904.

GROSS EARNINGS

FROM	1905	1904	INCREASE	DECREASE
Coal	\$13,530,337 42	\$12,835,076 24	\$695,261 18	
Other freight	12,432,582 74	11,994,700 77	437,881 97	
Passenger	3,509,825 33	3,155,715 13	354,110 20	
Express	337,107 75	306,024 77	31,082 98	
Mail	207,660 74	207,692 26		\$31 52
Miscellaneous	1,258,328 74	1,382,529 04		124,200 30
Total earnings	\$31,275,842 72	\$29,881,738 21	\$1,394,104 51	

OPERATING EXPENSES

FOR	1905	1904	INCREASE	DECREASE
Maintenance of way and structures . . .	\$3,269,382 74	\$3,059,257 82	\$210,124 92	. . . . .
Maintenance of equipment	4,894,269 44	4,745,341 80	148,927 64	. . . . .
Conducting transportation	10,179,037 79	10,469,806 29	. . . . .	\$290,768 50
General expenses	587,011 36	595,895 33	. . . . .	8,883 97
Total expenses	\$18,929,701 33	\$18,870,301 24	\$59,400 09	. . . . .
Net earnings from operations	\$12,346,141 39	\$11,011,436 97	\$1,334,704 42	. . . . .
Percentage, operating expenses to gross earnings	60.52	63.15	. . . . .	2.63

The gross revenue from transportation amounted to thirty-one million two hundred and seventy-five thousand eight hundred and forty-two dollars and seventy-two cents (\$31,275,842.72), an increase of one million three hundred and ninety-four thousand one hundred and four dollars and fifty-one cents (\$1,394,104.51), or 4.67 per cent., over the preceding twelve months. The operating expenses amounted to eighteen million nine hundred and twenty-nine thousand seven hundred and one dollars and thirty-three cents (\$18,929,701.33), being an increase of fifty-nine thousand four hundred dollars and nine cents (\$59,400.09), or .31 per cent., as compared with last year.

The ratio of expenses to earnings was 60.52 per cent., a decrease as compared with the previous fiscal year of 63.15 per cent.

EARNINGS

MERCHANDISE FREIGHT

The earnings from transportation of merchandise freight amounted to twelve million four hundred and thirty-two thousand five hundred and eighty-two dollars and seventy-four cents (\$12,432,582.74), being an increase of four hundred and thirty-seven thousand eight hundred and eighty-one dollars and ninety-seven cents (\$437,881.97), or 3.65 per cent., as compared with last year.

The tonnage moved, exclusive of Company's material, was 11,255,918 tons, an increase of 1,040,972 tons, or 10.19 per cent., as compared with the previous twelve months.

The number of tons carried one mile amounted to 2,222,876,759, an increase of 91,986,464 tons, or 4.32 per cent.

The average haul decreased from 208.61 to 197.49 miles, a decrease of 11.12 miles, or 5.33 per cent.

The percentage of earnings derived from the transportation of merchandise freight to gross earnings was 39.75 per cent., a decrease of .39 per cent., as compared with the previous twelve months.

The commodities transported consisted principally of—

Flour and other mill products,	Lumber,
Grain and hay,	Cement, brick, and lime,
Fruit and vegetables,	Iron and iron products,
Live stock,	Ores,
Other packing-house products,	Stone, sand, and like articles,
Miscellaneous merchandise.	

Company's material amounting to 389,755 tons was transported during the year, being a decrease of 29,963 tons, or 7.14 per cent.

COAL

The coal and coke tonnage transported, not including supply coal, amounted to 12,518,369 tons, an increase of 824,218 tons, or 7.05 per cent., over the year previous.

The number of tons moved one mile amounted to 1,880,899,182, an increase of 115,286,689, or 6.53 per cent.

From the transportation of coal and coke there was derived the sum of thirteen million five hundred and thirty thousand three hundred and thirty-seven dollars and forty-two cents (\$13,530,337.42), an increase of six hundred and ninety-five thousand two hundred and sixty-one dollars and eighteen cents (\$695,261.18), or 5.42 per cent.

The coal tonnage was 52.66 per cent. of the total tonnage hauled during the year, as against 53.38 per cent. for the previous year, being a decrease of .72 per cent. The percentage of coal earnings to gross earnings was 43.26 per cent., an increase of .31 per cent.

The average haul decreased from 150.98 miles to 150.25 miles, a decrease of .73 mile, or .48 per cent.

GENERAL FREIGHT TRAFFIC

Including both merchandise and coal, the entire freight traffic amounted to 23,774,287 tons, being an increase of 1,865,190 tons, or 8.51 per cent.

The number of tons carried one mile was 4,103,775,941, an increase of 207,273,153, or 5.32 per cent.

The total revenue derived was twenty-five million nine hundred and sixty-two thousand nine hundred and twenty dollars and sixteen cents (\$25,962,920.16), an increase of one million one hundred and thirty-three thousand one hundred and forty-three dollars and fifteen cents (\$1,133,143.15), or 4.56 per cent.

The average revenue per ton was 109.21 cents, as against 113.33 cents last year, being a decrease of 4.12 cents, or 3.64 per cent.

The average distance carried was 172.61 miles, a decrease of 5.24 miles, or 2.95 per cent.

Exclusive of the above tonnage, Company's freight amounted to 2,050,497 tons, an increase of 29,113 tons, or 1.44 per cent.

The total freight train mileage was 8,195,176 miles, an increase of 180,202 miles, or 2.25 per cent., while the volume of tonnage increased, as shown above, 8.51 per cent.

Revenue received per freight train mile was \$3.17, as compared with \$3.10, being an increase of 7 cents, or 2.26 per cent.

The average train load of revenue freight was 500.76 tons, an increase of 14.61 tons, or 3.01 per cent. Including Company's freight, the average train load was 518.64 tons, as against 507.92 last year, an increase of 10.72 tons, or 2.11 per cent.

The average number of tons of revenue freight in each loaded car was 20.31 tons, an increase of .55 ton, or 2.78 per cent. Including Company's freight, the average carload on the system was 21.03 tons, an increase of .38 ton, or 1.84 per cent.

PASSENGER TRAFFIC

From passenger traffic the revenue derived was three million five hundred and nine thousand eight hundred and twenty-five dollars and thirty-three cents (\$3,509,825.33), an increase of three hundred and fifty-four thousand one hundred and ten dollars and twenty cents (\$354,110.20), or 11.22 per cent.

Total number of passengers carried was 4,535,233, an increase of 335,743, or 7.99 per cent.

The average revenue paid by each passenger was 77.39 cents, an increase of 2.24 cents, or 2.98 per cent.

The average revenue per passenger per mile was 1.737 cents, an increase of .007 cent, or .40 per cent.

The average distance traveled by each passenger was 44.55 miles, an increase of 1.12 miles, or 2.58 per cent.

The number of passengers carried one mile increased 19,683,257, or 10.79 per cent.

Passenger train mileage was 4,058,662 miles, an increase of 129,349 miles, or 3.29 per cent.

The earnings from passengers per passenger train mile were 90.92 cents, an increase of 6.34 cents, or 7.50 per cent.; the average number of passengers per train was 52.34, an increase of 3.46, or 7.08 per cent., and the average number of passengers per car was 16.95, an increase of .60, or 3.67 per cent.

EXPRESS

Express earnings amounted to three hundred and thirty-seven thousand one hundred and seven dollars and seventy-five cents (\$337,107.75), an increase of thirty-one thousand and eighty-two dollars and ninety-eight cents (\$31,082.98).

MAIL

The revenue derived from carrying United States mails was two hundred and seven thousand six hundred and sixty dollars and seventy-four cents (\$207,660.74), a decrease of thirty-one dollars and fifty-two cents (\$31.52) as compared with the previous year.

MISCELLANEOUS

From these sources the revenue aggregated one million two hundred and fifty-eight thousand three hundred and twenty-eight dollars and seventy-four cents (\$1,258,328.74), a decrease of one hundred and twenty-four thousand two hundred dollars and thirty cents (\$124,200.30). The details of these earnings appear in Table 7.

EXPENSES**MAINTENANCE OF WAY**

During the year three million two hundred and sixty-nine thousand three hundred and eighty-two dollars and seventy-four cents (\$3,269,382.74) were expended for the Maintenance of Way and Structures, being an increase of two hundred and ten thousand one hundred and twenty-four dollars and ninety-two cents (\$210,124.92), or 6.87 per cent., as compared with the previous twelve months.

New concrete machine and blacksmith shops and an oil house were built at Coxton. There were also erected a large number of minor structures, such as supply, oil, tool, and car inspectors' houses.

During the year 10 steel bridges, one solid floor metal bridge, and 6 reinforced concrete bridges, displacing lighter metal structures, and 21 metal bridges, displacing wooden bridges and trestles, were erected. Eleven metal bridges and 16 wooden bridges and trestles, aggregating 335 lineal feet of single track, were filled in.

110.6 miles of single track were fully ballasted and 4 miles partially ballasted in stone, for which purpose 280,155 cubic yards of crushed stone and 7,199 cubic yards of screenings were used. In addition thereto 33 miles were fully ballasted in gravel and 42 miles raised and ballasted with cinders and ashes.

162,993 feet, or 30.87 miles, of Company's sidings and 36,326 feet, or 6.88 miles, of private sidings were constructed during the year.

At the Tift Farm Terminal on Lake Erie heavy repairs were made to the coal-shipping trestle; 900 feet of dock front at the same point and a section of the ore dock were rebuilt at a total cost of \$27,594.37.

Extensive repairs were made to the coal storage trestle at Cheektowaga, amounting to \$18,455.93.

A new electric, 16-lever interlocking plant, displacing a small manual plant, was put in operation at Newark Bay drawbridge. The interlocking plants at Port Reading, South Somerville, Catasauqua, and Fairview were remodeled and increased by a total of 36 levers.

Automatic signals were installed between Pittston Junction and Avoca on the Mountain Cut-off.

4.09 miles of new telegraph and telephone pole line were constructed, and 8.75 miles were rebuilt.

The Company's copper metallic through telephone line was extended from Coxton to Sayre, a distance of 84.6 miles; new metallic telephone lines were also established between Pottsville and Blackwood, a distance of 3.5 miles; between Easton and Thirteenth Street, a distance of 3.5 miles; and between Warriour Run and Newport, a distance of 3.5 miles.

Grounded telephone circuits were installed between Fenton and Canfield and Van Etten and Rodbourn, a distance of 9.7 miles, and a composite telephone line established between Buffalo and Manchester, a distance of 88 miles, making connection with the Wyoming Coal Storage Plant east of Depew, with an auxiliary connection to Suspension Bridge. A new telegraph wire was put up between South Bethlehem and Easton, a distance of 11.6 miles.

210.79 miles of new copper, 16.65 miles of new iron, and 36.42 miles of second-hand iron wire were used in extending the existing telephone, telegraph, and signal wires, and 302.63 miles of copper wire used in replacing worn-out wires in the same service.

Track scales of 100 tons capacity each were installed at Dingen Street Freight Transfer House, East Buffalo, and at Tomhicken.

20,213 tons of new 90-pound rail, and 300 tons of new 100-pound rail, together with necessary frogs, switches, &c., were placed in the track.

303,760 tie plates were used.

575,992 cross ties; 1,585,980 feet B. M. switch ties; 694,472 feet B. M. bridge ties; and lumber amounting to 3,367,473 feet B. M. were used during the year.

Drain tile to the extent of 34,909 feet, or 6.61 miles, was used.

MAINTENANCE OF EQUIPMENT

Expenditures amounting to the sum of four million eight hundred and ninety-four thousand two hundred and sixty-nine dollars and forty-four cents (\$4,894,269.44) were made during the year for the maintenance of equipment, being an increase of one hundred and forty-eight thousand nine hundred and twenty-seven dollars and sixty-four cents (\$148,927.64), or 3.14 per cent. This increase is due principally to increased heavy and general repairs to equipment.

Twenty heavy freight locomotives and twenty 7,500-gallon tenders were purchased and charged to Expenses and Equipment Renewal Reserve. Seven 4,500-gallon tenders were constructed during the year. Twenty-six locomotives were rebuilt.

The total number of locomotives at the end of the year was 747, having a tractive power of 18,681,092 pounds, being the same number of locomotives as last year, but an increased tractive power of 162,572 pounds.

670 locomotives received heavy and general repairs during the year, a decrease of 21, or 3.04 per cent.

20 locomotives unfit for further service were dismantled and the value thereof charged to Operating Expenses.

35 locomotives were equipped with pilot couplers.

All locomotives are now equipped with automatic couplers and with air brakes.

The average tractive power per locomotive at the end of the year was 25,008 pounds, an increase of 217 pounds, or .88 per cent.

The average mileage made by passenger locomotives was 46,371 miles, an increase of 396 miles, or .86 per cent., and in freight service 31,829 miles, a decrease of 193 miles, or .60 per cent.

The cost per locomotive mile decreased 1.45 cents.

434 passenger cars were painted and varnished during the year.

The total number of freight equipment cars in service at the end of the year was 35,769, with 1,069,505 tons capacity, an increase of 797 cars and an increase of 39,667 tons.

Air brakes were applied to 2,383 cars; the number now so equipped is 85.27 per cent. All cars are equipped with safety couplers.

Two café cars, six passenger coaches, one hundred 100,000-pound capacity steel low-side gondola cars, one hundred 80,000-pound capacity self-dumping steel cinder cars, and two Russell snow plows were purchased and charged to Equipment Renewal Reserve. One thousand 80,000-pound capacity steel underframe box cars were purchased under Equipment Trust "H."

A reserve fund of five hundred and fifty-two thousand one hundred and forty-six dollars and two cents (\$552,146.02) is available and may be used for renewal of equipment.

CONDUCTING TRANSPORTATION

The total expense of conducting transportation was ten million one hundred and seventy-nine thousand thirty-seven dollars and seventy-nine cents (\$10,179,037.79), a decrease of two hundred and ninety thousand seven hundred and sixty-eight dollars and fifty cents (\$290,768.50), or 2.78 per cent. Notwithstanding this decrease, freight train mileage increased 2.25 per cent. and ton miles increased 5.32 per cent.

The ratio of conducting transportation to Gross Earnings was 32.55 per cent., as compared with 35.04 per cent. last year, a decrease of 2.49 per cent.

GENERAL EXPENSES

This account shows a decrease for the year of \$8,883.97, the total expenditure being \$587,011.36.

TAXES

The taxes paid by the Company amounted to \$724,054.66, or 2.32 per cent. of the Company's gross earnings.

FLOATING EQUIPMENT

There has been no change in the number or character of the vessels comprising the fleet of the Lehigh Valley Transportation Company, which consists of the following lake steamers:—

NAME	CAPACITY
Wilkes-Barre.....	6,000 tons.
Maueh Chunk.....	6,000 "
Bethlehem.....	3,000 "
Sencea.....	3,000 "
Saranae.....	3,000 "
Tuscarora.....	3,000 "

The Company's floating equipment in New York Harbor at the close of the fiscal year consisted of—

147 barges,	23 car floats,	1 water boat,
21 tugs,	5 steam lighters,	1 wrecking boat.

Two dredges and one water boat no longer needed were sold.

The Company's floating equipment is in good condition, all necessary repairs having been made during the year.

EQUIPMENT TRUSTS AND MARINE OBLIGATIONS

The following statement shows the Equipment Trusts and marine obligations of your Company:—

Equipment Trust obligations, June 30th, 1904	\$4,635,000 00
Certificates issued during the year:—	
* Equipment Trust "H"	720,000 00
	<u>\$5,355,000 00</u>
Deduct certificates paid and canceled during the year:—	
Equipment Trust, Series "A," "B," "C," "D," "E," "F," and "G"	912,000 00
Total Equipment Trust obligations Lehigh Valley Railroad Company, June 30th, 1905	<u>\$4,443,000 00</u>
Lehigh Valley Transportation Company:—	
Maritime mortgage bonds outstanding June 30th, 1904	\$365,000 00
Paid during the year	120,000 00
Outstanding June 30th, 1905	245,000 00
Total Equipment Trusts and marine obligations	<u>\$4,688,000 00</u>
A decrease of	<u>312,000 00</u>

* Held in Treasury.

CAPITAL STOCK

The amount of capital stock issued remains unchanged, and consists of:—

806,696 shares common stock, par \$50	\$40,334,800 00
2,126 shares preferred stock, par \$50	106,300 00
Total capital stock	<u>\$40,441,100 00</u>

INCOME ACCOUNT

The income account, Table No. 2, published herewith, shows the sources of the Company's income for the year, as follows:—

Gross Earnings from Operations	\$31,275,842 72
Operating Expenses	18,929,701 33
Net Income from Operations	<u>\$12,346,141 39</u>
Other Income	453,010 25
Total Income	<u>\$12,799,151 64</u>
Deductions from Income:—	
Interest on Bonds, Taxes, and other deductions	\$5,994,712 19
Additions and Improvements	1,411,550 78
	<u>7,406,262 97</u>
Net Income Lehigh Valley Railroad Company	<u>\$5,392,888 67</u>
Net Income Lehigh Valley Coal Company	635,548 34
Total Net Income	<u>\$6,028,437 01</u>

THE LEHIGH VALLEY COAL COMPANY

The general balance sheet of The Lehigh Valley Coal Company is published herewith (Table 17), showing the financial condition. The subjoined statement shows the funded debt of the Company and the yearly interest charges thereon:—

NAME	PRINCIPAL	DATE OF MATURITY	YEARLY INTEREST		
			Rate	When Due	Amount
LEHIGH VALLEY COAL CO.:—					
First mortgage bonds, issue of 1892	\$10,114,000	Jan. 1st, 1933 .	5% gold .	Jan. and July .	\$505,700
First mortgage bonds, issue of 1892.	1,400,000	Jan. 1st, 1933 .	4% gold .	“ “	56,000
Snow Shoe mortgage	365,000	Jan. 1st, 1910 .	5% . . .	“ “	18,250
Delano Land Co., first mortgage	1,089,000	Jan. 1st, 1932 .	5% gold .	“ “	54,450
Total June 30th, 1905 . .	\$12,968,000	. . . . .	. . . . .	. . . . .	\$634,400

The total production of anthracite coal from the lands owned and controlled by The Lehigh Valley Coal Company and the minor companies in which it and the Lehigh Valley Railroad Company are interested, through ownership of stock, was 7,975,210.09 tons for the fiscal year ended June 30th, 1905, as against 7,511,957.10 tons for the previous year, an increase of 463,252.19 tons, or 6.17 per cent. The sources from which this tonnage was derived, for the fiscal years 1901-2, 1902-3, 1903-4, and 1904-5, were as follows:—

	1904-5	1903-4	1902-3	1901-2
Lehigh Valley Coal Company	5,605,987.14	4,275,130.12	3,531,677.01	3,049,755.12
Tenants of Lehigh Valley Coal Company	1,709,881.13	1,667,956.12	1,280,416.02	1,250,302.01
Minor Companies	659,341.02	1,568,870.06	1,123,923.09	1,320,814.13
Total	7,975,210.09	7,511,957.10	5,936,016.12	5,620,872.06

The collieries operated by The Lehigh Valley Coal Company and heretofore, affiliated coal companies produced during the year 53.29 per cent. of the coal transported by this Company, being an increase of 1.56 per cent., compared with the previous year.

From the operations of the Snow Shoe property there were mined 291,395.15 tons, as against 169,577.05 tons the previous twelve months.

Additions and improvements were made to the various collieries during the year amounting to \$876,376.89.

In pursuance of your Company's policy of handling its own coal at points where the tonnage warrants, additional coal yards at Syracuse, Chicago, Milwaukee, and St. Paul have been secured.

The details of the consolidations and mergers of the various coal companies heretofore owned by the Lehigh Valley Railroad Company and The Lehigh Valley Coal Company are fully set forth under "Financial."

The Advance Royalty Account shows a decrease of \$164,706.26, due to the improvement and development of the coal property.

The sinking funds of the several mortgages have been fully maintained.

FINANCIAL

During the year your Board authorized the issue and sale of \$20,100,000 General Consolidated Mortgage Bonds bearing interest at the rate of four per cent. per annum, under the mortgage dated September 30th, 1903, mentioned in the last annual report. The bonds were sold and the proceeds used to retire the Lehigh Valley Railroad Company Mortgage and Collateral Trust five per cent. Bonds, The Lehigh Valley Coal Company Five-Ten Year Coal Pledge five per cent. Bonds, the Lehigh Valley Railroad Company National Storage Company four per cent. Trust Certificates and to partially reimburse your Company for capital advances heretofore made.

The outstanding five per cent. bonds due May 1st, 1907, issued under the Mortgage and Collateral Trust Deed of May 1st, 1897, were called for redemption May 1st, 1905, at par with seven and one-half per cent. premium. The Mortgage and Collateral Trust Bonds in the hands of the Trustee under the National Storage Trust Agreement were returned to this Company and together with those held in your treasury were cancelled. All of the collateral pledged has been released from the lien of the mortgage and the same has been satisfied of record.

The \$2,000,000 Five-Ten Year five per cent. Coal Pledge Bonds of The Lehigh Valley Coal Company, issued under Trust Agreement, dated November 21st, 1902, were called for redemption at par and two and one-half per cent. premium December 1st, 1904.

\$5,000,000 National Storage Company four per cent. Trust Certificates were purchased and cancelled and the collateral pledged thereunder returned to the treasury.

The \$5,000,000 Lehigh Valley Coal Company Second Mortgage Bonds and the \$1,844,000 Hazleton Coal Company Bonds owned by the Lehigh Valley Railroad Company and formerly held as collateral under the Mortgage and Collateral Trust Deed, as well as the \$2,000,000 Lehigh Valley Coal Company Five-Ten Year Coal Pledge Bonds, were cancelled. The properties of the Connell, Seneca, Righter, Warriour Run and Wyoming Coal and Land

Companies were acquired for The Lehigh Valley Coal Company and in the place thereof The Lehigh Valley Coal Company issued to the Lehigh Valley Railroad Company Certificates of Indebtedness and capital stock amounting to \$11,202,000, which have been pledged under the General Consolidated Mortgage as additional collateral security.

As the result of the various financial changes during the year, there have been cancelled and retired, or changed from fixed obligations of the Lehigh Valley Railroad Company, subsidiary lines and coal companies, as follows:—

Lehigh Valley Railroad Company Mortgage and Collateral Trust Five Per Cent.

Bonds	\$12,506,000 00
Lehigh Valley Coal Company Five-Ten Year Five Per Cent. Coal Pledge Bonds	2,000,000 00
Lehigh Valley Railroad Company—National Storage Four Per Cent. Trust	
Certificates	5,000,000 00
Lehigh Valley Coal Company Second Mortgage	5,000,000 00
Hazleton Coal Company First Mortgage	1,844,000 00
Lehigh Valley Terminal Railway Company Car Trust	900,000 00
Balance outstanding coal companies' Stock Purchase Four Per Cent. Bonds...	1,135,000 00
Making a total of.....	\$28,385,000 00

against which, as before mentioned, there have been issued \$20,100,000 four per cent. General Consolidated Mortgage Bonds.

The retirement of the Lehigh Valley Railroad Company Mortgage and Collateral Trust five per cent. Bonds and The Lehigh Valley Coal Company Five-Ten Year five per cent. Coal Pledge Bonds with the subsequent change made possible by the release of collateral held thereunder will reduce the fixed charges of your Company and The Lehigh Valley Coal Company \$137,400 per annum.

Five per cent. Bonds of the Seneca County Railway Company of a par value of \$500,000 referred to in the last annual report, have been received in payment of advances made to that Company for construction and for the extension of its railroad, and are in your treasury.

Advances made by your Company to date in the construction and equipment of the new shops at Sayre amount to the sum of \$2,102,633.18, and there have been received in partial settlement thereof \$1,500,000 Consolidated Real Estate Company five per cent. Bonds which are in the treasury.

The Easton & Northern Railroad Company during the year issued to the Lehigh Valley Railroad Company \$249,000 of its four and one-half per cent. treasury bonds in partial payment of advances heretofore made by the latter to the former. These bonds are in your treasury.

Advances amounting to \$586,813.27 having heretofore been made in the construction of the Lehigh & Lake Erie Railroad, and as further expenditures will be needed in acquiring right of way and in construction work, that Company created a first mortgage dated June 1st, 1905, in the sum of \$3,000,000, and issued bonds at the rate of four

per cent. per annum for that amount. The same are guaranteed as to principal and interest by the Lehigh Valley Railroad Company. For advances made, \$580,000 of these bonds were received and placed in your Company's treasury. The entire capital stock of this Company is owned by the Lehigh Valley Railroad Company.

\$750,000 Bonds of the Mutual Terminal Company of Buffalo (formerly the Mutual Elevator Company) were received during the year in lieu of a temporary bond of the Mutual Elevator Company, mention of which was made in the last annual report. \$240,000 of these bonds have been sold for various sinking fund purposes, and the balance are in the treasury of the Lehigh Valley Railroad Company.

During the year there was created an equipment trust known as Series "H," amounting to \$720,000, covering one thousand box cars of 80,000 pounds capacity each. These certificates bear interest at the rate of four per cent. and are payable in eight annual installments of \$90,000 each, the last installment being due February 1st, 1913, and all are in your treasury.

In 1894 the Lehigh Valley Terminal Railway Company issued its car trust obligations covering two thousand 60,000 pounds capacity coal cars for the sum of \$1,000,000 payable in annual installments of \$50,000, under the operations of which \$100,000 were retired. The outstanding car trust obligations, \$900,000, owned by your Company, were cancelled and the equipment mentioned released from the lien of the trust and title vested in your Company, which has included in its Equipment Account the value thereof.

During the year your Board authorized the acquisition of the capital stock of the Warriour Run Mining Company and the Wyoming Coal and Land Company. Stock Purchase Bonds amounting to \$800,000 were issued in partial payment therefor bearing interest at the rate of four per cent. per annum, maturing in eight annual installments of \$100,000 each, beginning July 1st, 1905. Underlying bonds of the Wyoming Coal and Land Company, amounting to \$60,000, were also assumed. The payment of all the above bonds has been anticipated.

The Elisha A. Packer Mortgage held by this Company in the sum of \$17,767.30, by reason of default in the payment of installments and interest thereon, was foreclosed and the property in Schuylkill County purchased by The Lehigh Valley Coal Company.

In accordance with the policy of your management, to reduce the number of separate corporations, there has been consummated the merger in the State of Pennsylvania of the Wilkes-Barre and Harvey's Lake Railroad Company into and with the Loyalsock Railroad Company, the capital stock of the latter being increased to \$450,000, that sum equalling the combined stock of the two companies. In New York, the Canastota Northern Railroad Company was merged into the Elmira, Cortland & Northern Railroad Company, and subsequently the latter corporation and The Canal Railroad Company were merged into The Lehigh Valley Rail Way Company (of New York); the outstanding capital stock of the Lehigh Valley Rail Way Company (of New York) has been increased as a result of these consolidations to \$9,980,000 representing the total stock of all the merged companies. The National Docks Railway Company, a corporation in the State of New Jersey, was merged into the Lehigh Valley Railroad Company of New Jersey; the capital stock of the latter was increased to \$20,308,000.

The Mineral Spring Coal Company was consolidated with The Lehigh Valley Coal Company, the capital stock of the latter being increased \$300,000, the amount of the outstanding stock of the former. The Hazleton Coal Company was merged into the Westwood Coal Company, the resulting Company assuming the name of the Hazleton Coal Company, the combined capital

stock of these companies being \$665,000. The properties of the Hazleton, Connell, Seneca and Righter Coal Companies, the Warriour Run Mining Company and the Wyoming Coal and Land Company were sold to The Lehigh Valley Coal Company. In order to accomplish this result your Company will redeem its outstanding Connell, Seneca, Righter and Warriour Run Stock Purchase Bonds and has procured the stock of the respective companies pledged as collateral under the trust agreement. This places all of your operating coal properties under one corporation, viz.: The Lehigh Valley Coal Company.

Payments were made on account of matured principal of Equipment Trusts "A," "B," "C," "D," "E," "F," and "G" to the amount of \$912,000 and on account of Lehigh Valley Transportation Company Maritime Mortgage Bonds to the amount of \$120,000, a total of \$1,032,000. In addition the new Equipment Trust Certificates, Series "H," amounting to \$720,000 covering one thousand box cars were purchased and the certificates are held in your treasury.

The value of materials and supplies on hand at the end of the fiscal year amounted to \$1,557,587.96, a decrease as compared with the previous year of \$267,949.71.

The current assets are \$9,361,060.53 in excess of current liabilities.

Your Board on January 4th, 1905, declared a semi-annual dividend of five per cent. on the preferred capital stock and a semi-annual dividend of two per cent. on the common capital stock of the Company, payable January 14th, 1905; and on June 21st, 1905, declared semi-annual dividends of five per cent. and two per cent., respectively, on the preferred and common capital stocks of the Company, payable July 15th, 1905.

The Company's accounts for the year, in accordance with the usual practice, have been examined by certified public accountants and the result of such examination is stated in the accountants' certificate published herewith.

The general balance sheet and various statements accompanying the report show the financial condition of the Company at the close of the fiscal year.

GENERAL REMARKS

Your property has been fully maintained during the year and in addition many substantial improvements have been made in the matter of equipment, stone ballast, constructing and extending yard and sidetracks, rebuilding bridges, &c.

The new shops at Sayre, mentioned in the last annual report, are practically completed and were placed in partial operation before the close of the fiscal year. In order to provide an adequate and economical water supply in connection therewith a pumping plant and reservoir of 4,000,000 gallons capacity are now in course of construction.

Favorable progress was made in the engineering work incident to constructing the Lehigh & Lake Erie Railroad, mentioned in previous annual reports. The completion of this line will give your Company an important terminal railroad, about eleven miles in length, affording relief from the congested condition of the traffic movement on the present track connection with Tift Farm at Buffalo and complete your line through from tidewater to the terminal on Lake Erie, giving increased and improved facilities under our own control for the expeditious and more economical handling of our increasing tonnage.

In order to reach Irvington, New Jersey, a new company was incorporated, known as the Irvington Railroad Company, to build a line from the main line at Elizabeth to Irvington, a distance of about three miles, with an authorized capital stock of \$100,000, all of which is owned by the Lehigh Valley Railroad Company. This railroad has been built, a freight house and necessary terminal tracks have been completed and are now in operation. This line will be the source of a large traffic increase from the growing district which it serves.

During the year the Bay Shore Connecting Railroad Company was organized under the laws of New Jersey, with an authorized capital stock of \$50,000, in the interests of the Lehigh Valley Railroad Company and the Central Railroad Company of New Jersey, each owning one-half of the capital stock and advancing equally such sums as are needed in the construction thereof. This road, which will be 1.2 miles long, was projected for the purpose of reaching the various industries and shore front properties on Newark Bay.

Negotiations were continued for the acquirement of the property necessary for the extension of the Seneca Falls Branch, referred to in the previous annual report, from the present terminus to a connection with the Auburn and Ithaca Branch at Cayuga.

In order to acquire water rights and protect the water supply in the Lower Schuylkill Region, Pennsylvania, a new water company was created, known as the Blackwood Water Company, with an authorized capital stock of \$50,000, the entire amount of which is owned by your Company. In addition it was found desirable to purchase the entire capital stock of the Centralia Water Company, amounting to \$14,000, to more fully protect our interests in the town of Centralia, Pa.

To facilitate the movement of westbound freight over the mountain, a third track was built from Fairview to Bear Creek Junction, a distance of 6.9 miles, at a cost of \$102,619.69. It is expected during the coming year to make a further extension to a point east of Brader's Station, a distance of 3.8 miles, and ultimately to White Haven, a total distance of 12.8 miles.

A new brick freight house and additional team delivery tracks are being constructed at Poinier Street, Newark.

A modern brick passenger station is being erected at Rochester.

Extensive yard improvements were made, the most important being the westbound yard at Packerton, which was increased by additional tracks; the revision of the shop yard tracks and the tracks east of the shops at Packerton, which will greatly facilitate the repairing of cars; remodelling the westbound yard at Sayre, including new classification tracks; revision of Mt. Carmel yard, including additional tracks and a new interchange yard with the Lehigh & New England Railroad at Stockertown. The cost of these improvements amounted to \$60,080.30.

With the view of facilitating the movement of tugboats and reducing the cost of operation, a tugboat coaling station was built at Jersey City at a cost of \$6,663.33.

A concrete retaining wall 1300 feet long and 20 feet high was built at Mauch Chunk at a cost of \$17,395.54 to protect the main tracks and to provide additional space for the construction of a fourth track.

Water purifying plants were installed at Maxwells, Stafford and Batavia at a cost of \$12,522.80.

Automatic sprinkler systems for fire protection were installed at Piers "E," "G," and "I," the expense of same being \$42,571.87.

Air brakes were applied to 2383 freight equipment cars, at a cost of \$135,231.44.

52 new industries were located on your Company's line during the year. Track connections were made with 42 of these plants.

59.46 per cent. of the total Operating Expenses of the Railroad Company, or \$11,256,132.05, was paid direct to labor, being distributed among 20,455 employes.

No authorization has as yet been secured from the Legislature of New Jersey for the abandonment of navigation on the Morris Canal and operation has been continued under the terms of the lease.

The train tonnage in both directions between Coxton and Sayre, a distance of 84.5 miles, is limited by grades and alignment. Surveys have been made with the view of changing the line and revising the grades for a distance of 5.86 miles from Wysox to west of Towanda. When these improvements are completed the trainload on the Pennsylvania Division will be substantially increased.

Considering the advisability of such change and for the reduction of grades, change of alignment and other extraordinary betterments and improvements, your Board decided, since the close of the year, to transfer \$1,000,000 to "Special Reserve Fund" from the net surplus of the year.

Mr. Alexander B. Coxe was elected a Director on January 18th, 1905, to fill the vacancy caused by the resignation of Mr. Norman B. Ream.

Mr. George H. McFadden was elected a Director on March 15th, 1905, to fill the vacancy caused by the resignation of Mr. Beauveau Borie.

Mr. J. A. Middleton was elected First Vice President and Mr. J. W. Platten Second Vice President on November 16th, 1904.

In recognition of the efficiency and fidelity with which the officers and employes of the Company have served its interests, the Board takes this opportunity of expressing its thanks.

By order of the Board of Directors,

E. B. THOMAS,
President.

HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 Broad Street New York

LONDON, E. C.

30 Coleman Street

Cable Address "HASKSELLS"

CHICAGO

204 Dearborn Street

ST. LOUIS

Lincoln Trust Building

CLEVELAND

Williamson Building

PITTSBURG

Farmers Bank Building

AUGUST 17, 1905.

Mr. E. B. Thomas, President, Lehigh Valley Railroad Company,

NEW YORK.

DEAR SIR:—

We have examined the books and accounts of the Lehigh Valley Railroad Company and The Lehigh Valley Coal Company for the fiscal year ended June 30, 1905, have verified all cash and security balances by actual count or comparisons with receipts and certificates of deposit, and

WE HEREBY CERTIFY that the accompanying general balance sheets and statements of income and profit and loss correctly set forth the financial condition of the companies June 30, 1905, and the results of their operations for the fiscal year ended on that date.

(Signed) HASKINS & SELLS,
Certified Public Accountants.

APPENDIX

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STATEMENT OF MILEAGE OF TRACK OPERATED

TABLE 1

OWNED BY LEHIGH VALLEY RAILROAD OR CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD OF NEW JERSEY:					
Main Line—Jersey City, N. J., to Phillipsburg, N. J.,	75.07	75.07	19.34	112.11	281.59
Branches	44.15	18.68	. . . .	108.56	171.39
LEHIGH VALLEY RAILROAD:					
Main Line—Phillipsburg, N. J., to Wilkes-Barre, Pa.	98.82	87.71	14.64	157.03	358.20
Branches	18.04	2.62	. . . .	18.07	38.73
Easton and Northern Branch—Easton, Pa., to Belfast, Pa., and Bushkill Station to Thirteenth Street Junction	12.78	. . . .	. . . .	3.54	16.32
Mahanoy and Hazleton Division:—					
Main Line and Branches	110.00	66.24	. . . .	90.60	266.84
Minor Branches to Breakers, &c.	49.94	. . . .	. . . .	30.17	80.11
Mountain Cut-Off—Fairview, Pa., to Avoca, Pa.,	18.58	18.10	. . . .	4.74	41.42
Wyoming Division Branches	12.74	. . . .	. . . .	4.05	16.79
Bowman's Creek Branch—Port Bowkley, Pa., to Bernice, Pa., and branches	50.29	. . . .	. . . .	9.55	59.84
Pennsylvania and New York Railroad:—					
Main Line, Wilkes-Barre, Pa., to Pennsylvania State Line	96.57	96.57	1.30	143.04	337.48
Branches	42.81	1.57	. . . .	36.84	81.22
LEHIGH VALLEY RAIL WAY (OF N. Y.):					
Main Line—Pennsylvania State Line to Buffalo, N. Y.	175.16	175.16	. . . .	157.76	508.08
Waverly Branch—Pennsylvania State Line to Waverly, N. Y. . . . .	.41	. . . .	. . . .	1.42	1.83
Ithaca Branch—Van Etten Junction, N. Y., to Geneva Junction, N. Y.	59.49	. . . .	. . . .	16.46	75.95
Auburn and Ithaca Branch—Ithaca, N. Y., to Auburn, N. Y.	42.46	. . . .	. . . .	8.69	51.15
Cayuga Branch—Cayuga Junction, N. Y., to Cayuga, N. Y.	3.92	. . . .	. . . .	1.03	4.95
Rochester Branch—Rochester, N. Y., to Hemlock Lake, N. Y.	29.58	. . . .	. . . .	9.02	38.60
Niagara Falls Branch—Depew Junction, N. Y., to Tonawanda Junction, N. Y.	10.56	10.39	. . . .	2.32	23.27
Naples Branch—Geneva, N. Y., to Naples, N. Y.,	29.42	. . . .	. . . .	3.85	33.27
Seneca Falls Branch—Geneva Junction, N. Y., to Seneca Falls, N. Y.	8.20	. . . .	. . . .	1.83	10.03
Elmira, Cortland and Northern Branch—Elmira, N. Y., to Camden, N. Y.	139.14	. . . .	. . . .	32.06	171.20
Lehigh and Lake Erie Railroad—Tiffi Farm, Buffalo, N. Y., to West Seneca, N. Y. . . .	2.94	. . . .	. . . .	.51	3.45
Total	1,131.07	552.11	35.28	953.25	2,671.71

STATEMENT OF MILEAGE OF TRACK OPERATED—(Continued)

CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Schuylkill and Lehigh Valley Railroad, Lizard Creek Junction, Pa., to Blackwood, Pa.	41.85	. . . . .	. . . . .	6.92	48.77
Montrose Railway, Tunkhannock, Pa., to Montrose, Pa.	27.35	. . . . .	. . . . .	3.29	30.64
Lehigh and New York Railroad, Pennsylvania State Line to North Fair Haven, N. Y.	115.37	. . . . .	. . . . .	30.57	145.94
Total	184.57	. . . . .	. . . . .	40.78	225.35
CONTROLLED BY LEASES.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
State Line and Sullivan Railroad, Monroeton, Pa., to Bernice, Pa.	24.06	. . . . .	. . . . .	5.00	29.06
Hayt's Corners, Ovid and Willard Railroad, Hayt's Corners, N. Y., to Willard, N. Y.	3.82	. . . . .	. . . . .	.30	4.12
Total	27.88	. . . . .	. . . . .	5.30	33.18
TRACKAGE RIGHTS.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Pennsylvania Railroad, Schuylkill Division, Spring Garden Junction, Pa., to Pottsville, Pa.	4.20	. . . . .	. . . . .	. . . . .	4.20
Pennsylvania Railroad, West Newark Junction, N. J., to Jersey City, N. J.	9.40	9.40	. . . . .	. . . . .	18.80
Philadelphia and Erie Railroad, New Boston Junction, Pa., to Pottsville, Pa.	10.90	. . . . .	. . . . .	. . . . .	10.90
Central Railroad of New Jersey, Sandy Run Junction, Pa., to Crellin Junction, Pa.	5.91	. . . . .	. . . . .	. . . . .	5.91
Susquehanna and New York Railroad, Barclay Junc- tion, Pa., to Monroeton, Pa.	4.00	. . . . .	. . . . .	. . . . .	4.00
New York Central Railroad, Tonawanda Junction, N. Y., to Suspension Bridge, N. Y.	14.96	14.29	. . . . .	. . . . .	29.25
Total	49.37	23.69	. . . . .	. . . . .	73.06

STATEMENT OF MILEAGE OF TRACK OPERATED—*Continued*

RECAPITULATION.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Owned or controlled by ownership of entire stock . . .	1,131.07	552.11	35.28	953.25	2,671.71
Controlled by ownership of majority of stock	184.57	. . . .	. . . .	40.78	225.35
Controlled by leases	27.88	. . . .	. . . .	5.30	33.18
Trackage rights	49.37	23.69	. . . .	. . . .	73.06
Total	1,392.89	575.80	35.28	999.33	3,003.30

MILEAGE BY STATES.	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Pennsylvania	628.84	272.81	15.94	512.84	1,430.43
New York	635.43	199.84	. . . .	265.82	1,101.09
New Jersey	128.62	103.15	19.34	220.67	471.78
Total	1,392.89	575.80	35.28	999.33	3,003.30

COMPARATIVE INCOME ACCOUNT FOR THE YEARS ENDED JUNE 30TH,
1905 AND 1904

TABLE 2

LEHIGH VALLEY RAILROAD COMPANY.	1905	1904	INCREASE	DECREASE
GROSS EARNINGS :—				
Coal earnings	\$13,530,337 42	\$12,835,076 24	\$695,261 18	
Other freight earnings	12,432,582 74	11,994,700 77	437,881 97	
Passenger earnings	3,509,825 33	3,155,715 13	354,110 20	
Express earnings	337,107 75	306,024 77	31,082 98	
Mail earnings	207,660 74	207,692 26		\$31 52
Miscellaneous earnings	1,258,328 74	1,382,529 04		124,200 30
Total gross earnings	\$31,275,842 72	\$29,881,738 21	\$1,394,104 51	
OPERATING EXPENSES :—				
Maintenance of way and structures . .	\$3,269,382 74	\$3,059,257 82	\$210,124 92	
Maintenance of equipment	4,894,269 44	4,745,341 80	148,927 64	
Conducting transportation	10,179,037 79	10,469,806 29		\$290,768 50
General expenses	587,011 36	595,895 33		8,883 97
Total operating expenses	\$18,929,701 33	\$18,870,301 24	\$59,400 09	
Percentage, operating expenses to gross earnings	60.52 per cent.	63.15 per cent.		2.63 per cent.
NET EARNINGS	\$12,346,141 39	\$11,011,436 97	\$1,334,704 42	
OTHER INCOME :—				
Dividends on stocks	\$107,530 50	\$107,661 10		\$130 60
Interest on bonds	120,288 89	123,070 00		2,781 11
Interest on real estate mortgages . . .	23,119 50	23,122 50		3 00
Miscellaneous interest	149,315 86	103,012 99	46,302 87	
Rents, Easton and Northern Railroad .	1,990 95	17,801 00		15,810 05
Operation of water lines, net	*120,851 00	*13,315 08		107,535 92
Operation of National Storage Co., net,	79,508 49	48,059 87	31,448 62	
Operation of coal shipping and storage plants, net	92,107 06	96,064 93		3,957 87
Total other income	\$453,010 25	\$505,477 31		\$52,467 06
TOTAL INCOME	\$12,799,151 64	\$11,516,914 28	\$1,282,237 36	
DEDUCTIONS FROM INCOME :—				
Additions and improvements to property,	1,411,550 78	1,465,290 31		\$53,739 53
Interest on funded debt	2,501,607 35	2,285,500 00	216,107 35	
Interest on coal companies' stock purchase bonds	64,242 76	34,883 34	29,359 42	
Interest on National Storage Company trust certificates	136,111 11	200,000 00		63,888 89
Interest on equipment trust obligations .	210,937 50	258,727 50		47,790 00
Rentals of leased lines and guaranties .	2,304,473 00	2,304,473 00		
Taxes	724,054 66	679,812 83	44,241 83	
Miscellaneous deductions	53,285 81	32,666 90	20,618 91	
Total deductions from income . . .	\$7,406,262 97	\$7,261,353 88	\$144,909 09	
NET INCOME	\$5,392,888 67	\$4,255,560 40	\$1,137,328 27	
LEHIGH VALLEY COAL COMPANY.				
NET INCOME	635,548 34	856,437 05		\$220,888 71
TOTAL NET INCOME	\$6,028,437 01	\$5,111,997 45	\$916,439 56	

* Deficit.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30TH, 1905

TABLE 3

LEHIGH VALLEY RAILROAD COMPANY

	Dr.	Cr.
Balance surplus, July 1st, 1904		\$5,914,796 74
Discount on General Consolidated Mortgage bonds sold and premium on Mortgage and Collateral Trust bonds redeemed	\$1,444,000 00	
Dividends of ten per cent. and five per cent. on preferred stock paid August 1st, 1904, and January 14th, 1905, respectively	15,945 00	
Dividends of one per cent. and two per cent. on common stock paid August 1st, 1904, and January 14th, 1905, respectively	1,210,044 00	
Miscellaneous adjustments		19,628 95
Net income for the year ended June 30th, 1905, Table No. 2		5,392,888 67
Balance surplus, June 30th, 1905	8,657,325 36	
	\$11,327,314 36	\$11,327,314 36
Balance carried forward, July 1st, 1905		\$8,657,325 36

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30TH, 1905

THE LEHIGH VALLEY COAL COMPANY

	Dr.	Cr.
Balance surplus, July 1st, 1904 \$2,527,001 42		
Less included therein the Profit and Loss balances of subsidiary companies, transferred and credited to Reserve Account 902,572 09		
Appropriated for improvements, 1904-5	\$500,000 00	\$1,624,429 33
Premium on 5-10 year coal pledge bonds redeemed	50,000 00	
Miscellaneous adjustments	58,676 29	
Net income for year ended June 30th, 1905, Table No. 2		635,548 34
Balance surplus, June 30th, 1905	1,651,301 38	
	\$2,259,977 67	\$2,259,977 67
Balance carried forward, July 1st, 1905		\$1,651,301 38

CONDENSED BALANCE SHEET, JUNE 30TH, 1905.

TABLE 4

Dr.

LEHIGH VALLEY RAILROAD COMPANY

ASSETS, JUNE 30th, 1905			CHANGES	
			INCREASE	DECREASE
RAILROAD.				
Cost of road	\$18,639,291 95			
EQUIPMENT	29,770,869 63	\$1,974,557 64		
MORTGAGE AND COLLATERAL TRUST BONDS OF THE COMPANY HELD IN ITS TREASURY				\$2,611,000 00
MORTGAGE AND COLLATERAL TRUST BONDS OF THE COMPANY IN HANDS OF TRUSTEE OF NATIONAL STORAGE COMPANY TRUST CERTIFICATES				2,000,000 00
TREASURY STOCK	250 00			
REAL ESTATE	1,616,677 49	45,880 66		
CONSTRUCTION, NEW SHOPS, SAYRE	602,633 18			221,382 08
CONSTRUCTION, IRVINGTON RAILROAD	121,595 33	121,595 33		
CONSTRUCTION, BAY SHORE CONNECTING RAILWAY	8,211 20	8,211 20		
MORTGAGES RECEIVABLE	349,070 31			46,387 92
SECURITIES OWNED.				
Stocks of railroad and water lines included in Lehigh Valley system	\$20,009,254 84	1,942,240 50		
Stocks of allied coal companies	1,504,675 59			1,261,153 47
Stocks of other companies	4,938,758 35			1,794,588 65
Bonds of railroad and water lines included in Lehigh Valley system	4,827,926 00	1,329,000 00		
Bonds of The Lehigh Valley Coal Company				6,400,000 00
Bonds of other coal companies				925,079 78
Bonds of other companies	2,045,807 87	1,260,000 00		
Certificates of Indebtedness, Lehigh Valley Coal Company	10,537,000 00	10,537,000 00		
Car Trust certificates, Lehigh Valley Terminal Railway				900,000 00
Equipment Trust Certificates, Lehigh Valley Railroad, Series "H"	720,000 00	720,000 00		
		44,583,422 65		
OTHER PERMANENT INVESTMENTS.				
Advances to railroad and water lines included in Lehigh Valley system, for property. (See Table 8.)		5,498,066 58		1,519,256 21
ADVANCED INSURANCE PREMIUMS		6,007 40		25,799 19
CURRENT ASSETS.				
Cash on deposit and in hands of Treasurer	\$8,862,550 43	4,191,336 68		
Cash in hands of officers and agents	87,198 78			2,425 95
Cash in transit	465,233 26			88,565 99
Due by station agents	1,163,446 46	296,742 70		
Due by individuals and companies	1,374,780 11	171,636 85		
Traffic balances due by other companies	408,618 89			534 49
Bills receivable	25,002 00	25,002 00		
Advances to other companies	399,984 58	31,735 03		
Material and supplies on hand	1,557,587 96			267,949 71
		14,344,402 47		
DEFERRED AND SUSPENDED ASSETS.				
Sundry accounts		162,133 05	70,178 62	
TOTAL ASSETS		\$115,702,631 24	\$4,660,993 77	

AND COMPARISON WITH JUNE 30TH, 1904

LEHIGH VALLEY RAILROAD COMPANY

Cr.

LIABILITIES, JUNE 30th, 1905.			CHANGES	
			INCREASE	DECREASE
CAPITAL STOCK		\$40,441,100 00		
FUNDED DEBT		54,100,000 00	\$7,589,000 00	
COAL COMPANIES' STOCK PURCHASE BONDS				\$680,000 00
NATIONAL STORAGE COMPANY TRUST CERTIFICATES				5,000,000 00
EQUIPMENT TRUST OBLIGATIONS		4,443,000 00		192,000 00
RESERVES.				
Equipment renewal reserve	\$552,146 02			45,838 75
Other reserves	742,361 93		147,838 23	
		1,294,507 95		
MORTGAGES ON REAL ESTATE		231,920 55		30,006 66
INTEREST AND RENTALS ACCRUED, NOT DUE.				
Interest on funded debt	\$396,541 67		68,166 67	
Interest on equipment trusts	50,987 51			13,387 50
Accrued rentals, leased lines	385,735 82			
Interest on National Storage Company trust certificates				50,000 00
Interest on Coal Companies' Stock Purchase Bonds				5,466 67
		833,265 00		
CURRENT LIABILITIES.				
Dividends unpaid	\$1,529 50		1,529 50	
Interest on bonds due and unclaimed	41,917 75			525 75
Rentals of leased lines due	346,500 00			
June pay roll, since paid	1,042,803 49		96,736 55	
Audited vouchers, including June bills, since paid	2,197,103 76		588,336 21	
Due to individuals and companies	397,066 82			547,007 65
Traffic balances due to other companies	618,172 21		178,369 80	
Unclaimed wages	6,743 84			9,641 59
Taxes accrued	324,373 49		74,960 79	
Employees' pension fund	7,131 08		6,222 30	
Bills payable				300,052 06
		4,983,341 94		
DEFERRED AND SUSPENDED LIABILITIES.				
Taxes accrued, not due	\$251,780 50		17,113 48	
Sundry accounts	466,389 94		24,118 25	
		718,170 44		
PROFIT AND LOSS		8,657,325 36	2,742,528 62	
TOTAL LIABILITIES		\$115,702,631 24	\$4,660,993 77	

STATEMENT OF FUNDED DEBT, YEARLY INTEREST, GUARANTIES, AND RENTALS OF LEASED LINES

TABLE 5

	PRINCIPAL	DATE OF MATURITY	ACCRUED INTEREST		
			Rate	Due	Amount
Lehigh Valley R. R. Co.:—					
First mortgage bonds	\$5,000,000	June 1st, 1948 . .	4% gold	June and Dec. .	\$200,000 00
Second mortgage bonds	6,000,000	Sept. 1st, 1910 . .	7% . . .	Mar. and Sept.	420,000 00
Consolidated mortgage bonds:—					
Coupon \$1,319,000		Dec. 1st, 1923 . .	6% . . .	June and Dec. .	
Registered 4,319,000		"	6% . . .	"	
Annuity 10,062,000		Perpetual	6% . . .	"	
	15,700,000				942,000 00
Coupon \$1,669,000		Dec. 1st, 1923 . .	4½% . . .	"	
Registered 3,093,000		"	4½% . . .	"	
Annuity 2,538,000		Perpetual	4½% . . .	"	
	7,300,000				328,500 00
*Mortgage and collateral trust bonds					329,166 67
General consolidated mortgage bonds	20,100,000	May 1st, 2003 . .	4% gold	May and Nov.	536,000 00
		Total			\$2,755,666 67
		Deduct interest on general consolidated mortgage bonds accrued to date of sale, paid by purchasers			254,059 32
Total	\$54,100,000				\$2,501,607 35
Coal Companies' Stock Purchase Bonds:—					
*Seneca Coal Company					\$12,133 33
*Connell Coal Company					6,899 99
*Richter Coal Company					7,065 00
*Warriour Run Mining Company					38,144 44
Total					\$64,242 76
*National Storage Co. trust certificates					\$136,111 11
Lehigh Valley Terminal Ry. Co.:—					
First mortgage bonds	\$10,000,000	October 1st, 1941	5% gold .	April and Oct. .	\$500,000 00
Easton and Amboy R. R. Co.:—					
First mortgage bonds	6,000,000	May 1st, 1920 . .	5% . . .	May and Nov. .	300,000 00
Morris Canal and Banking Co.:—					
Preferred stock \$903,600			10% . . .		90,360 00
Consolidated stock 706,700			4% . . .		28,268 00
	1,610,300				
Easton and Northern R. R. Co.:—					
First mortgage bonds	51,000	Nov. 1st, 1935 . .	4½% gold	May and Nov. .	2,295 00
Penna. and New York Canal and R. R. Co.:—					
First mortgage bonds \$1,500,000		June 1st, 1906 . .	7% . . .	June and Dec. .	105,000 00
Consolidated mortgage bonds 4,000,000		April 1st, 1939 . .	5% . . .	April and Oct. .	200,000 00
Consolidated mortgage bonds 1,500,000		"	4½% . . .	"	67,500 00
Consolidated mortgage bonds 3,000,000		"	4% . . .	"	120,000 00
	10,000,000				
The Lehigh Valley Rail Way Company:—					
First mortgage bonds	15,000,000	July 1st, 1940 . .	4½% gold	Jan. and July .	675,000 00
Lehigh and New York R. R. Co.:—					
First mortgage bonds	2,000,000	Sept. 1st, 1945 . .	4% gold .	March and Sept.	80,000 00
Elmira, Cortland and Northern R. R. Co.:—					
First preferred mortgage bonds, \$750,000		April 1st, 1914 . .	6% gold .	April and Oct. .	45,000 00
First mortgage bonds 1,250,000		"	5% gold .	"	62,500 00
	2,000,000				
Canastota Northern R. R. Co.:—					
First mortgage bonds	300,000	July 1st, 1906 . .	6% gold .	Jan. and July .	18,000 00
Middlesex Valley R. R. Co.:—					
First mortgage bonds	211,000	Nov. 1st, 1942 . .	5% gold .	May and Nov. .	10,550 00
Total	\$47,172,300				\$2,304,473 00
Grand total, June 30th, 1905	\$101,272,300				\$5,006,434 22

*These mortgages have been satisfied as of record and provision has been made for the redemption and cancellation of such bonds as have not yet been presented.

STATEMENT OF EQUIPMENT TRUSTS AND MARINE OBLIGATIONS

	PRINCIPAL	DATE OF MATURITY	INTEREST	
			Rate	Due
Lehigh Valley R. R. Co. :—				
Car trust, series A, bonds	\$100,000	{ \$50,000 semi-annually to February 1st, 1906. }	5% gold	Feb. and Aug.
Car trust, series B, bonds	75,000	{ \$25,000 semi-annually to August 1st, 1906. }	5% gold	Feb. and Aug.
Equipment trust, series C, certificates	800,000	{ \$200,000 annually to June 1st, 1909. }	4½% gold	June and Dec.
Equipment trust, series D, certificates	1,500,000	{ \$300,000 annually to March 1st, 1910. }	4½% gold	Mar. and Sept.
Equipment trust, series E, certificates	328,000	{ \$82,000 annually to February 1st, 1909. }	4½% gold	Feb. and Aug.
Equipment trust, series F, certificates	320,000	{ \$80,000 annually to May 1st, 1909. }	4½% gold	May and Nov.
Equipment trust, series G, certificates	600,000	{ \$100,000 annually to August 1st, 1910. }	4½% gold	Feb. and Aug.
*Equipment trust, series H, certificates	720,000	{ \$90,000 annually to February 1st, 1913. }	4% gold	Feb. and Aug.
Total	\$4,443,000			
Lehigh Valley Transportation Company :—				
Maritime mortgage bonds	\$245,000	{ \$120,000 annually to May 1st, 1907. }	5% gold	May and Nov.
Total June 30th, 1905	\$4,688,000			

* Owned by the Company and held in the treasury.

STATEMENT OF SECURITIES OWNED

TABLE 6

	BONDS	EACH	PAR VALUE	TOTAL
BONDS				
Consolidated Real Estate Co.	150	\$10,000	\$1,500,000 00	
Easton and Northern R. R. Co.	162	1,000	162,000 00	
Easton and Northern R. R. Co.	174	500	87,000 00	
Greenville and Hudson Ry. Co.	7	50,000	350,000 00	
Lehigh Valley Railroad Co. Equipment Trust "H"	720	1,000	720,000 00	
Lehigh and Lake Erie R. R. Co.	1	580,000	580,000 00	
Morris Canal and Banking Co.	50	10,000	500,000 00	
Rochester Southern R. R. Co.	425	1,000	425,000 00	
Schuylkill and Lehigh Valley R. R. Co.	2,000	1,000	2,000,000 00	
Glen Summit Hotel and Land Co.	158	500	79,000 00	
Mansion House Hotel Co.	14	500	7,000 00	
Middlesex Valley R. R. Co.	389	1,000	389,000 00	
Montrose Railway Co.	10	10,000	100,000 00	
Mutual Terminal Co. of Buffalo	510	1,000	510,000 00	
Paxinosa Inn Co.	2	500	1,000 00	
Paxinosa Inn Co.	2	200	400 00	
Seneca County Ry. Co.	500	1,000	500,000 00	
				\$7,910,400 00
CERTIFICATES OF INDEBTEDNESS				
*Lehigh Valley Coal Co.			\$10,537,000 00	10,537,000 00
STOCKS				
	SHARES			
*Easton and Northern R. R. Co.	6,000	\$50	\$300,000 00	
*Lehigh and New York R. R. Co., preferred	21,726 $\frac{6}{100}$	100	2,172,606 00	
*Lehigh Valley Coal Co.	32,300	50	1,615,000 00	
*The Lehigh Valley Rail Way Company (of N. Y.)	99,800	100	9,980,000 00	
†*Lehigh Valley Railroad Co. of N. J.	203,080	100	20,308,000 00	
*Lehigh Valley Transportation Company	7,500	100	750,000 00	
*Loyalsock R. R. Co.	9,000	50	450,000 00	
*National Storage Co.	24,000	100	2,400,000 00	
*New York and Middle Coal Field R. R. and Coal Co.	42,446	25	1,061,150 00	
*Pennsylvania and New York Canal and R. R. Co.	21,028	50	1,051,400 00	
*Schuylkill and Lehigh Valley R. R. Co.	39,981	50	1,999,050 00	
Bay Shore Connecting R. R. Co.	400	\$12.50 pd.	5,000 00	
Blackwood Water Co.	1,000	\$5 paid.	5,000 00	
Buffalo, Thousand Islands and Portland R. R. Co.	2,500	100	250,000 00	
Buffalo Creek R. R. Co.	1,250	100	125,000 00	
Centralia Water Co.	560	25	14,000 00	
Consolidated Real Estate Co.	100	50	5,000 00	
Cosmopolitan Shipping Co.	100	100	10,000 00	
Amount carried forward			\$42,501,206 00	\$18,447,400 00

* Covered by General Consolidated Mortgage.

† Lehigh Valley R. R. Co. of N. J. owns 79,270 shares.

STATEMENT OF SECURITIES OWNED—(Continued)

STOCKS.—Continued.	SHARES	EACH	PAR VALUE	TOTAL
Amount brought forward			\$42,501,206 00	\$18,447,400 00
Delano Water Co.	200	\$5 paid.	1,000 00	
Elmira Transfer Ry. Co.	100	100	10,000 00	
Glen Summit Hotel and Land Co.	350	100	35,000 00	
Hazleton Water Co.	5,000	50	250,000 00	
Hazle Water Co.	100	\$5 paid.	500 00	
Highland Coal Co.	2,400	50	120,000 00	
Irvington R. R. Co.	1,000	\$7 paid.	7,000 00	
Island R. R. Co.	500	100	50,000 00	
Jersey City Belt Line Ry. Co.	600	\$20 paid.	12,000 00	
Lehigh & Hudson River Ry. Co.	1,631	100	163,100 00	
Lehigh and Lake Erie R. R. Co.	250	100	25,000 00	
Lehigh Valley Railroad Co.	5	50	250 00	
Locust Mountain Coal and Iron Co.	27	50	1,350 00	
Locust Mountain Water Co.	1,000	50	50,000 00	
Mansion House Hotel Co.	200	50	10,000 00	
Montrose Ry. Co.	4,477	50	223,850 00	
Morris Canal and Banking Co., consolidated	3,183	100	318,300 00	
Morris Canal and Banking Co., preferred	2,714	100	271,400 00	
Morris Canal and Banking Co., scrip			56,597 50	
Mutual Terminal Co. of Buffalo	150	100	15,000 00	
Newark Bay Ry. Co.	500	\$20 paid.	10,000 00	
Packer Coal Co.	76	50	3,800 00	
Penn Haven Junction and Glen Onoko R. R. Co.,	1,200	\$5 paid.	6,000 00	
Philadelphia Bourse, common	30	50	1,500 00	
Philadelphia Bourse, preferred	23	25	575 00	
Philadelphia Harbor Transfer			20,000 00	
Pioneer Real Estate Co.	25	100	2,500 00	
United Real Estate Co.	10	100	1,000 00	
Weatherly Water Co.	600	10	6,000 00	
Wright Township Water Co.	100	\$5 paid.	500 00	
Wyoming Valley Coal Co.	9,222	100	922,200 00	45,095,628 50
Total par value				\$63,543,028 50

SUMMARY

Value of bonds as per books	\$7,593,733 87
Value of certificates of indebtedness as per books	10,537,000 00
Value of stocks as per books	34,379,938 78
Total	\$52,510,672 65
Total par value	\$63,543,028 50
Value as per Lehigh Valley R. R. Co. books	\$44,583,672 65
Value as per Lehigh Valley Railroad Co. of N. J. books	7,927,000 00
Total book value	\$52,510,672 65

INCOME FROM INVESTMENTS AND OTHER SOURCES FOR THE
YEAR ENDED JUNE 30TH, 1905

TABLE 7

DIVIDENDS ON STOCKS:—

New York and Middle Coal Field Railroad and Coal Company	\$84,892 00	
Highland Coal Company	13,200 00	
Buffalo Creek Railroad Company	8,750 00	
People's Railway Company	261 00	
Weatherly Water Company	360 00	
Locust Mt. Coal and Iron Company	67 50	
		<u>\$107,530 50</u>

INTEREST ON BONDS:—

Lehigh Valley Coal Company	\$70,000 00	
Coal Ridge Improvement and Coal Company	23,070 00	
Mutual Terminal Company of Buffalo	27,148 89	
Paxinosa Inn Company	70 00	
		<u>120,288 89</u>

INTEREST ON MORTGAGES	23,119 50
---------------------------------	-----------

INCOME FROM OTHER SOURCES:—

Interest receivable	\$149,315 86	
Easton and Northern Railroad, net earnings	1,990 95	
National Storage Company, net earnings	79,508 49	
		<u>230,815 30</u>
Total	\$481,754 19	

MISCELLANEOUS EARNINGS

Trackage	\$517,928 52
Car service	289,523 85
Rents	208,357 35
Excess baggage and storage	35,468 28
Hire of equipment	24,687 88
Dining Car Earnings	20,384 26
Telegraph earnings	11,795 61
News stand earnings	5,084 50
Chair car earnings	4,875 60
Storage, &c.	140,222 89
Total	<u>\$1,258,328 74</u>

STATEMENT OF AMOUNTS DUE BY RAILROAD AND WATER LINES IN LEHIGH VALLEY SYSTEM FOR ADVANCES ON ACCOUNT OF CONSTRUCTION AND NEW PROPERTY

TABLE 8

RAILROADS :—

Easton and Northern Railroad Company	\$267,791 80	
Jersey City Belt Line Railway Company	44,881 76	
Lehigh and Lake Erie Railroad Company	6,813 27	
Lehigh Valley Railroad Company of New Jersey	288,165 63	
The Lehigh Valley Rail Way Company (of N. Y.)	3,911,976 72	
Loyalsock Railroad Company	378,701 32	
Montrose Railway Company	53,128 12	
Newark Bay Railway Company	3,283 83	
		<u>\$4,954,742 45</u>

WATER LINES :—

Lehigh Valley Transportation Company	543,324 13	
Total advances to railroad and water lines as per balance sheet		<u><u>\$5,498,066 58</u></u>

EARNINGS AND EXPENSES, EXCLUSIVE OF WATER LINES, FOR THE YEAR ENDED JUNE

TABLE 9

	EARNINGS					GROSS EARNINGS
	COAL TRAFFIC	FREIGHT TRAFFIC	PASSENGER TRAFFIC	EXPRESS AND MAIL	RENTS AND MISCELLANEOUS	
July, 1904	\$1,135,117 29	\$925,012 94	\$374,624 36	\$42,377 66	\$79,414 10	\$2,556,546 35
August, "	924,224 67	975,149 38	387,504 95	42,373 75	81,064 50	2,410,317 25
September, "	904,857 72	1,077,341 01	399,787 57	42,280 12	77,603 14	2,501,869 56
October, "	1,372,588 69	1,177,295 75	310,908 73	43,076 40	101,595 06	3,005,464 63
November, "	1,221,452 04	1,114,054 62	257,177 01	42,389 63	111,023 95	2,746,097 25
December, "	1,196,534 89	987,065 91	253,365 30	42,410 78	104,443 75	2,583,820 63
January, 1905	1,075,125 52	890,537 65	209,318 16	42,372 40	106,497 34	2,323,851 07
February, "	768,669 56	805,028 74	184,313 96	42,372 05	152,334 64	1,952,718 95
March, "	1,291,874 39	1,101,550 79	249,159 86	42,376 86	101,999 06	2,786,960 96
April, "	1,131,693 05	1,099,057 32	263,969 66	42,389 83	101,887 31	2,638,997 17
May, "	1,192,925 27	1,140,667 09	287,562 79	42,390 45	118,185 63	2,781,731 23
June, "	1,315,274 33	1,139,821 54	332,132 98	77,958 56	122,280 26	2,987,467 67
Total year ended June 30, 1905 .	\$13,530,337 42	\$12,432,582 74	\$3,509,825 33	\$544,768 49	\$1,258,328 74	\$31,275 842 72
Total year ended June 30, 1904 .	12,835,076 24	11,994,700 77	3,155,715 13	513,717 03	1,382,529 04	29,881,738 21
Increase	\$695,261 18	\$437,881 97	\$354,110 20	\$31,051 46	. . . . .	\$1,394,104 51
Decrease . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	\$124,200 30	. . . . .
Increase, per cent.	5.42	3.65	11.22	6.04	. . . . .	4.67
Decrease, " . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	8.98	. . . . .

30TH, 1905, COMPARED WITH TOTALS FOR THE YEAR ENDED JUNE 30TH, 1904

OPERATING EXPENSES					NET EARNINGS
MAINTENANCE OF WAY	MAINTENANCE OF EQUIPMENT	CONDUCTING TRANSPORTATION	GENERAL EXPENSES	TOTAL EXPENSES	
\$259,699 25	\$351,604 80	\$818,450 55	\$45,233 34	\$1,474,987 94	\$1,081,558 41
224,804 71	337,411 94	801,941 91	45,293 49	1,409,452 05	1,000,865 20
249,420 81	351,183 17	811,322 61	46,535 51	1,458,462 10	1,043,407 46
259,279 32	459,152 00	891,751 62	43,249 00	1,653,431 94	1,352,032 69
248,504 55	422,069 01	843,383 49	42,752 65	1,556,709 70	1,189,387 55
234,377 05	515,614 51	896,853 20	54,762 43	1,701,607 19	882,213 44
238,043 64	395,891 61	886,741 75	53,288 98	1,573,965 98	749,885 09
239,150 50	343,607 16	813,201 48	47,685 45	1,443,644 59	509,074 36
239,887 38	428,213 97	876,761 17	50,435 20	1,595,297 72	1,191,663 24
256,826 11	403,529 18	847,065 31	51,867 53	1,559,288 13	1,079,709 04
301,199 11	506,477 83	848,967 06	45,399 75	1,702,043 75	1,079,687 48
518,190 31	379,514 26	842,597 64	60,508 03	1,800,810 24	1,186,657 43
\$3,269,382 74	\$4,894,269 44	\$10,179,037 79	\$587,011 36	\$18,929,701 33	\$12,346,141 39
3,059,257 82	4,745,341 80	10,469,806 29	595,895 33	18,870,301 24	11,011,436 97
\$210,124 92	\$148,927 64	.....	.....	\$59,400 09	\$1,334,704 42
.....	.....	\$290,768 50	\$8,883 97	.....	.....
6.87	3.14	.....	.....	0.31	12.12
.....	.....	2.78	1.49	.....	.....

STATEMENT OF EARNINGS AND EXPENSES, EXCLUSIVE OF WATER LINES, FOR TEN
YEARS, 1896 TO 1905 INCLUSIVE

TABLE 10

EARNINGS

YEARS ENDED JUNE 30TH	COAL TRAFFIC	FREIGHT TRAFFIC	PASSENGER TRAFFIC	EXPRESS AND MAIL	MISCELLANEOUS SOURCES	GROSS EARNINGS	NET EARNINGS, TAXES NOT DEDUCTED
1896	\$7,382,480 53	\$7,128,909 05	\$2,478,796 48	\$326,266 11	\$1,255,782 68	\$18,572,234 85	\$4,443,063 12
1897	7,691,918 11	7,579,243 06	2,582,536 88	343,740 33	1,061,137 88	19,258,576 26	5,172,133 02
1898	7,935,807 94	7,675,855 58	2,726,111 03	401,392 57	1,094,836 05	19,834,003 17	5,918,369 68
1899	9,051,739 56	7,622,155 52	2,660,492 79	397,928 48	1,188,529 57	20,920,845 92	5,314,320 24
1900	9,963,376 90	8,933,000 10	2,926,403 18	399,754 03	1,229,882 37	23,452,416 58	5,348,591 23
1901	9,636,802 48	9,272,317 07	2,989,004 24	424,083 35	1,160,359 50	23,482,566 64	4,814,542 36
1902	9,328,959 09	9,627,286 35	3,664,820 27	460,855 54	838,046 70	23,919,967 95	5,938,769 22
1903	10,104,764 40	11,609,706 36	3,191,638 63	483,059 54	1,265,334 33	26,654,503 26	7,674,323 60
1904	12,835,076 24	11,994,700 77	3,155,715 13	513,717 03	1,382,529 04	29,881,738 21	11,011,436 97
1905	13,530,337 42	12,432,582 74	3,509,825 33	544,768 49	1,258,328 74	31,275,842 72	12,346,141 39

The percentage of each class of earnings to gross earnings is as follows:—

	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal traffic	39.75	39.94	40.01	43.27	42.49	41.04	39.00	37.91	42.95	43.26
Freight traffic	38.38	39.36	38.70	36.43	38.09	39.49	40.25	43.56	40.14	39.75
Passenger traffic	13.35	13.41	13.75	12.72	12.48	12.72	15.32	11.97	10.56	11.22
Express and mail	1.76	1.78	2.02	1.90	1.70	1.81	1.93	1.81	1.72	1.74
Miscellaneous sources	6.76	5.51	5.52	5.68	5.24	4.94	3.50	4.75	4.63	4.03

OPERATING EXPENSES

YEARS ENDED JUNE 30TH	MAINTENANCE OF WAY	MAINTENANCE OF EQUIPMENT	CONDUCTING TRANSPORTATION	GENERAL EXPENSES	TOTAL OPERATING EXPENSES	RATIO OF TOTAL EX- PENSES TO EARNINGS
						Per Cent.
1896	\$1,974,016 79	\$2,680,762 07	\$8,907,843 63	\$566,549 24	\$14,129,171 73	76.07
1897	2,107,070 20	2,564,658 58	8,841,512 49	573,201 97	14,086,443 24	73.14
1898	1,735,135 89	3,239,403 80	8,369,904 83	571,188 97	13,915,633 49	70.16
1899	2,851,344 08	3,345,742 18	8,831,958 29	577,481 13	15,606,525 68	74.60
1900	3,687,084 39	4,335,768 55	9,428,893 60	652,078 81	18,103,825 35	77.20
1901	4,241,717 04	4,316,861 72	9,374,299 48	735,146 04	18,668,024 28	79.50
1902	3,689,987 12	4,654,257 50	8,898,286 97	738,667 14	17,981,198 73	75.17
1903	4,099,168 88	4,694,395 07	9,567,083 09	619,532 62	18,980,179 66	71.21
1904	3,059,257 82	4,745,341 80	10,469,806 29	595,895 33	18,870,301 24	63.15
1905	3,269,382 74	4,894,269 44	10,179,037 79	587,011 36	18,929,701 33	60.52

The ratio of each class of operating expenses to gross earnings is as follows:—

	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way	10.63	10.94	8.75	13.63	15.72	18.07	15.42	15.38	10.24	10.45
Maintenance of equipment	14.43	13.32	16.33	15.99	18.49	18.38	19.46	17.61	15.88	15.65
Conducting transportation	47.96	45.91	42.20	42.22	40.21	39.92	37.20	35.89	35.04	32.55
General expenses	3.05	2.97	2.88	2.76	2.78	3.13	3.09	2.33	1.99	1.87

* INVENTORY OF EQUIPMENT, JUNE 30TH, 1905

TABLE 11

LOCOMOTIVES	747	ROAD SERVICE EQUIPMENT :—	
Tractive power (pounds)	18,681,092	Air-brake instruction	1
PASSENGER CAR EQUIPMENT :—		Box	3
Passenger	247	Business	2
Chair	5	Derrick	33
Dining	6	Flat	106
Café	5	Gondola	76
Business	3	Gravel dump	413
Combination	65	Hoister	1
Baggage and mail	28	Hospital	1
Express	53	Pile driver	3
Fruit	11	Pole	10
Postal	3	Scale test	2
Milk	65	Snow flangers	22
Total	491	Snow plows	8
		Steam shovels	6
FREIGHT CAR EQUIPMENT :—		Supply	20
Box	18,162	Tool	49
Stock	152	Tunnel	6
Lime	1	Workmen's	112
Refrigerator	94	Total	874
Produce	866		
Furniture	1	* FLOATING EQUIPMENT :—	
Bark	20	Lake steamers	6
Flat	283	Tugs	21
Gondola	2,461	Steam lighters	5
Coal	13,381	Barges	147
Cabooses	348	Car floats	23
Total	35,769	Water boats	1
TONS CAPACITY	1,069,505	Wrecking boats	1
		Total	204

* Does not include Morris Canal equipment.

TABLE 12

CLASSIFICATION OF EARNINGS AND EXPENSES

EARNINGS	1905	1904	INCREASE	DECREASE
Coal	\$13,530,337 42	\$12,835,076 24	\$695,261 18	. . . . .
Freight	12,432,582 74	11,994,700 77	437,881 97	. . . . .
Passenger	3,509,825 33	3,155,715 13	354,110 20	. . . . .
Express	337,107 75	306,024 77	31,082 98	. . . . .
Mail	207,660 74	207,692 26	. . . . .	\$31 52
Miscellaneous	1,258,328 74	1,382,529 04	. . . . .	124,200 30
Amounts carried forward	\$31,275,842 72	\$29,881,738 21	\$1,394,104 51	. . . . .

FOR THE YEARS ENDED JUNE 30TH, 1905 AND 1904

	1905	1904	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	\$108,127 81	\$116,959 99	. . . . .	\$8,832 18
Repairs of roadway	1,538,634 66	1,388,245 13	\$150,389 53	. . . . .
Renewals of rails	307,158 90	186,410 94	120,747 96	. . . . .
Renewals of ties	529,400 00	567,000 78	. . . . .	37,600 78
Repairs and renewals of bridges and culverts	253,750 50	238,781 16	14,969 34	. . . . .
Repairs and renewals of fences, road cross- ings, signs, and cattle guards	44,580 55	51,570 26	. . . . .	6,989 71
Repairs and renewals of buildings and fixtures	350,998 35	337,065 93	13,932 42	. . . . .
Repairs and renewals of docks and wharves .	37,229 16	79,361 93	. . . . .	42,132 77
Repairs and renewals of telegraph	28,940 54	31,269 36	. . . . .	2,328 82
Expenses and repairs Company's real estate .	59,086 02	49,743 16	9,342 86	. . . . .
Stationery and printing	3,258 41	3,471 98	. . . . .	213 57
Other expenses	1,416 11	4,621 19	. . . . .	3,205 08
Relief fund payments	5,769 22	3,687 09	2,082 13	. . . . .
Injuries to persons	1,032 51	1,068 92	. . . . .	36 41
Total maintenance of way and structures .	\$3,269,382 74	\$3,059,257 82	\$210,124 92	. . . . .
MAINTENANCE OF EQUIPMENT:—				
Superintendence	\$44,825 67	\$42,246 86	\$2,578 81	. . . . .
Clerks and office expenses	82,356 24	80,462 17	1,894 07	. . . . .
Repairs and renewals of locomotives	2,353,296 46	2,149,956 64	203,339 82	. . . . .
Repairs and renewals of freight cars	1,820,172 23	1,829,765 56	. . . . .	\$9,593 33
Repairs and renewals of passenger cars . .	341,446 57	309,223 13	32,223 44	. . . . .
Repairs and renewals of work cars	28,418 02	23,721 50	4,696 52	. . . . .
Repairs and renewals of marine equipment .	765 80	457 00	308 80	. . . . .
Repairs and renewals of shop machinery and tools	122,139 14	149,665 65	. . . . .	27,526 51
Stationery and printing	9,364 06	8,787 56	576 50	. . . . .
Other expenses	80,917 30	143,731 13	. . . . .	62,813 83
Relief fund payments	9,326 22	5,972 32	3,353 90	. . . . .
Injuries to persons	1,241 73	1,352 28	. . . . .	110 55
Total maintenance of equipment	\$4,894,269 44	\$4,745,341 80	\$148,927 64	. . . . .

EARNINGS	1905	1904	INCREASE	DECREASE
Amounts brought forward	\$31,275,842 72	\$29,881,738 21	\$1,394,104 51
Gross earnings	\$31,275,842 72	\$29,881,738 21	\$1,394,104 51

FOR THE YEARS ENDED JUNE 30TH, 1905 AND 1904—Continued

	1905	1904	INCREASE	DECREASE
CONDUCTING TRANSPORTATION:—				
Superintendence	\$108,163 76	\$106,211 03	\$1,952 73	
Clerks and office expenses	240,126 13	255,202 72		\$15,076 59
Engine and roundhousemen	1,740,526 38	1,682,442 97	58,083 41	
Fuel for locomotives	2,457,800 21	2,650,331 11		192,530 90
Water supply for locomotives	92,318 06	90,070 43	2,247 63	
Oil, tallow, and waste for locomotives	75,201 89	75,467 31		265 42
Other supplies for locomotives	29,573 37	32,375 94		2,802 57
Train service	1,131,336 97	1,122,495 39	8,841 58	
Train supplies and expenses	212,368 96	211,777 37	591 59	
Switchmen, flagmen, and watchmen	932,544 83	906,752 65	25,792 18	
Telegraph expenses	266,568 77	259,036 67	7,532 10	
Station service	1,159,576 16	1,153,835 23	5,740 93	
Station supplies and expenses	141,472 50	147,551 66		6,079 16
Switching charges	1,456 58	49,335 14		47,878 56
Loss and damage	129,199 32	110,425 79	18,773 53	
Injuries to persons	35,354 89	74,331 11		38,976 22
Clearing wrecks	43,263 03	42,256 49	1,006 54	
Operating marine equipment	2,847 78	2,272 11	575 67	
Advertising	81,310 86	74,441 92	6,868 94	
Outside agencies	427,650 78	419,556 89	8,093 89	
Stock yards and elevators	20,245 91	22,982 89		2,736 98
Rents of tracks, yards, and terminals	484,471 06	614,384 10		129,913 04
Rents of buildings and other property	248,031 53	244,635 61	3,395 92	
Stationery and printing	80,516 00	85,220 08		4,704 08
Other expenses	9,714 15	18,639 37		8,925 22
Relief fund payments	27,397 91	17,774 31	9,623 60	
Total conducting transportation	\$10,179,037 79	\$10,469,806 29		\$290,768 50
GENERAL EXPENSES:—				
Salaries of general officers	\$107,076 71	\$115,844 79		\$8,768 08
Salaries of clerks and attendants	239,343 18	237,849 45	\$1,493 73	
General office expenses and supplies	42,321 45	33,970 60	8,350 85	
Insurance	90,000 00	90,000 00		
Legal expenses	66,341 99	71,679 74		5,337 75
Stationery and printing	28,529 81	29,209 54		679 73
Other expenses	13,398 22	17,341 21		3,942 99
Total general expenses	\$587,011 36	\$595,895 33		\$8,883 97
TOTAL OPERATING EXPENSES	\$18,929,701 33	\$18,870,301 24	\$59,400 09	
NET EARNINGS	12,346,141 39	11,011,436 97	1,334,704 42	

PERFORMANCE OF LOCOMOTIVES (ENTIRE SYSTEM)

TABLE 13

	YEARS ENDED JUNE 30TH		INCREASE	DECREASE
	1905	1904		
LOCOMOTIVE MILEAGE.				
Passenger	3,860,540	3,731,216	129,324	. . . . .
Freight and coal	8,195,176	8,014,974	180,202	. . . . .
Express	198,122	198,097	25	. . . . .
Special	56,485	54,625	1,860	. . . . .
Helping, freight and coal	557,094	588,561	. . . . .	31,467
Helping, passenger	96,877	78,494	18,383	. . . . .
Light	894,068	882,200	11,868	. . . . .
Switching	5,006,525	4,865,966	140,559	. . . . .
Total (excluding work)	18,864,887	18,414,133	450,754	. . . . .
Work	1,212,555	1,178,129	34,426	. . . . .
Total	20,077,442	19,592,262	485,180	. . . . .
Average passenger	46,371	45,975	396	. . . . .
Average freight and coal	31,829	32,022	. . . . .	193
Average switching and other	29,024	28,376	648	. . . . .
Average all services	33,098	32,873	225	. . . . .
Percentage of passenger helping	2.20	1.93	0.27	. . . . .
Percentage of freight and coal helping	5.89	6.84	. . . . .	0.95
Greatest mileage made by an engine in passenger service	88,399	101,970	. . . . .	13,571
Greatest mileage made by an engine in freight service	55,644	63,741	. . . . .	8,097
CAR MILEAGE.				
Passenger, express and special	21,178,529	19,780,659	1,397,870	. . . . .
Freight and coal, loaded	202,084,703	197,166,274	4,918,429	. . . . .
Freight and coal, empty	88,623,087	90,156,229	. . . . .	1,533,142
Work, loaded and empty	1,252,636	1,228,701	23,935	. . . . .
Caboose	8,030,574	7,867,659	162,915	. . . . .
Total	321,169,529	316,199,522	4,970,007	. . . . .
Average cars per draft, passenger	5.1	5.0	0.1	. . . . .
*Average cars per draft, freight (loaded basis)	30.6	30.7	. . . . .	0.1
Average cars per draft, work (loaded basis)	0.8	0.9	. . . . .	0.1

* Two empty freight cars equaling one loaded; caboose mileage included in empty mileage.

FOR YEARS ENDED JUNE 30TH, 1905 AND 1904

	YEARS ENDED JUNE 30TH		INCREASE	DECREASE
	1905	1904		
	POUNDS	POUNDS		
FUEL COAL USED PER MILE.				
Passenger locomotive	103.9	95.1	8.8	. . . . .
Freight and coal locomotive	208.4	204.8	3.6	. . . . .
Switching and other locomotive	95.9	87.8	8.1	. . . . .
All services	150.4	145.0	5.4	. . . . .
Passenger car	21.6	20.3	1.3	. . . . .
Freight and coal car	8.0	7.9	0.1	. . . . .
OIL AND WASTE.				
	MILES	MILES	MILES	MILES
Lubricating oil, locomotive miles, per pint	21.19	20.00	1.19	. . . . .
Cylinder oil, locomotive miles, per pint	65.05	60.19	4.86	. . . . .
Waste, locomotive miles, per pound	68.87	65.84	3.03	. . . . .
COST PER LOCOMOTIVE MILE.				
	CENTS	CENTS	CENTS	CENTS
Fuel	12.97	14.39	. . . . .	1.42
Oil and waste	00.40	00.41	. . . . .	0.01
Other supplies	00.16	00.18	. . . . .	0.02
Water supply	00.49	00.49	. . . . .	. . . . .
Enginemen and firemen	07.30	07.25	0.05	. . . . .
Roundhousemen	01.89	01.88	0.01	. . . . .
Repairs (excluding renewals)	09.90	09.96	. . . . .	0.06
Total	33.11	34.56	. . . . .	1.45
Total, including renewals	34.88	35.57	. . . . .	0.69
COST PER CAR MILE.				
	CENTS	CENTS	CENTS	CENTS
Fuel	0.92	1.01	. . . . .	0.09
Oil and waste	0.03	0.03	. . . . .	. . . . .
Other supplies	0.01	0.01	. . . . .	. . . . .
Water supply	0.04	0.04	. . . . .	. . . . .
Enginemen and firemen	0.52	0.51	0.01	. . . . .
Roundhousemen	0.13	0.13	. . . . .	. . . . .
Repairs (excluding renewals)	0.75	0.74	0.01	. . . . .
Total	2.40	2.47	. . . . .	0.07
Total, including renewals	2.53	2.55	. . . . .	0.02

ENGINE, TRAIN, AND CAR STATISTICS FOR THE YEARS ENDED
JUNE 30TH, 1905 AND 1904

TABLE 14

	1905	1904	PERCENTAGE OF INCREASE OR DECREASE	
TRAIN AND ENGINE MILEAGE.				
Miles run by passenger trains	4,058,662	3,929,313	Inc.	3.29
Miles run by freight trains	8,195,176	8,014,974	Inc.	2.25
Total revenue train miles	12,253,838	11,944,287	Inc.	2.59
Miles run by work trains	1,212,555	1,178,129	Inc.	2.92
Miles run by special trains	56,485	54,625	Inc.	3.41
Total train mileage	13,522,878	13,177,041	Inc.	2.62
Miles run by yard switching engines	5,006,525	4,865,966	Inc.	2.89
Miles run by engines in helping service	653,971	667,055	Dec.	1.96
Miles run by engines in light service	894,068	882,200	Inc.	1.35
Total engine mileage	20,077,442	19,592,262	Inc.	2.48
CAR STATISTICS.				
Mileage of loaded freight cars	202,084,703	197,166,274	Inc.	2.49
Mileage of empty freight cars	88,623,087	90,156,229	Dec.	1.70
Mileage of caboose cars	8,030,574	7,867,659	Inc.	2.07
Total mileage of freight train cars	298,738,364	295,190,162	Inc.	1.20
Mileage of passenger cars, including Pullman cars	11,918,197	11,155,322	Inc.	6.84
Mileage of baggage, mail, express, and dining cars	9,183,273	8,535,609	Inc.	7.59
Total mileage of passenger train cars	21,101,470	19,690,931	Inc.	7.16
Mileage of work cars	1,252,636	1,228,701	Inc.	1.95
Mileage of special train cars	77,059	89,728	Dec.	14.12
Total mileage of non-revenue cars	1,329,695	1,318,429	Inc.	.85
Total mileage of all cars	321,169,529	316,199,522	Inc.	1.57
Average number of loaded freight cars in train	24.66	24.60	Inc.	.24
Average number of empty freight cars in train	11.79	12.23	Dec.	3.60
Average number of cars in each freight train	36.45	36.83	Dec.	1.03
*Percentage of loaded cars in each train	67.65	66.80	Inc.	1.27
Average miles run per freight car per day (including foreign)	24.64	25.25	Dec.	2.42
Average daily mileage of foreign freight cars on lines of Le-high Valley System	33.76	35.45	Dec.	4.77
Average number of passenger cars in train	2.94	2.84	Inc.	3.52
Average number of baggage, mail, express, and dining cars in train	2.26	2.17	Inc.	4.15
Average number of cars in each passenger train	5.20	5.01	Inc.	3.79
Average miles run per passenger car per day	100.80	95.09	Inc.	6.00

* Caboose included in empty mileage.

MILEAGE, HAUL, LOAD, RATE, &c. (ENTIRE SYSTEM), FOR THE YEARS ENDED
JUNE 30TH, 1905 AND 1904

TABLE 15

PASSENGER.	1905	1904	INCREASE	DECREASE	PER CENT. OF INCREASE OR DECREASE
Train mileage	3,860,540	3,731,216	129,324	. . . . .	3.47
Car mileage	11,918,197	11,155,322	762,875	. . . . .	6.84
Average cars per train	5.20	5.01	.19	. . . . .	3.79
Passengers carried	4,535,233	4,199,490	335,743	. . . . .	7.99
Average passengers per train	52.34	48.88	3.46	. . . . .	7.08
Average passengers per car	16.95	16.35	.60	. . . . .	3.67
Passengers carried one mile	202,056,339	182,373,082	19,683,257	. . . . .	10.79
Average haul	44.55 miles.	43.43 miles.	1.12 miles.	. . . . .	2.58
*Earnings	\$3,509,825 33	\$3,155,715 13	\$354,110 20	. . . . .	11.22
Average per train mile	90.92 cents.	84.58 cents.	6.34 cents	. . . . .	7.50
Average per passenger per mile	1.737 cents.	1.730 cents.	.007 cent.	. . . . .	.40
FREIGHT.					
Train mileage	8,195,176	8,014,974	180,202	. . . . .	2.25
Car mileage	298,738,364	295,190,162	3,548,202	. . . . .	1.20
Average cars per train	36.45	36.83	. . . . .	.38	1.03
Tonnage	23,774,287	21,909,097	1,865,190	. . . . .	8.51
Average tons per train mile	500.76	486.15	14.61	. . . . .	3.01
Average tons per loaded car mile	20.31	19.76	.55	. . . . .	2.78
Ton miles	4,103,775,941	3,896,502,788	207,273,153	. . . . .	5.32
Average haul	172.61 miles.	177.85 miles.	. . . . .	5.24 miles.	2.95
Earnings	\$25,962,920 16	\$24,829,777 01	\$1,133,143 15	. . . . .	4.56
Average per train mile	\$3.17	\$3.10	\$.07	. . . . .	2.26
Average per ton per mile . . . . .	.633 cent.	.637 cent.	. . . . .	.004 cent.	.63

* Express and mail earnings not included.

TABLE 16

ANALYSIS OF TRAFFIC EARNINGS AND EXPENSES

EARNINGS, EXPENSES, AND NET EARNINGS.	YEARS ENDED JUNE 30TH		INCREASE	PER CENT.	DECREASE	PER CENT.
	1905	1904				
Average miles of road operated	1,393.87	1,392.67	1.20	.09	. . . . .	. . . . .
Total revenue train miles	12,253,838	11,944,287	309,551	2.59	. . . . .	. . . . .
Freight and passenger revenue	\$29,472,745 49	\$27,985,492 14	\$1,487,253 35	5.31	. . . . .	. . . . .
Freight and passenger revenue per mile of road	21,144 54	20,094 85	1,049 69	5.22	. . . . .	. . . . .
Gross earnings, railroad	31,275,842 72	29,881,738 21	1,394,104 51	4.67	. . . . .	. . . . .
Gross earnings per mile of road	22,438 13	21,456 44	981 69	4.58	. . . . .	. . . . .
Gross earnings per revenue train mile . . .	2.552	2.502	.050	2.00	. . . . .	. . . . .
Operating expenses, railroad	18,929,701 33	18,870,301 24	59,400 09	0.31	. . . . .	. . . . .
Operating expenses per mile of road	13,580 68	13,549 73	30 95	.23	. . . . .	. . . . .
Operating expenses per revenue train mile .	1.545	1.580	. . . . .	. . . . .	.035	2.22
Net earnings, railroad	12,346,141 39	11,011,436 97	1,334,704 42	12.12	. . . . .	. . . . .
Net earnings per mile of road	8,857 46	7,906 71	950 75	12.02	. . . . .	. . . . .
Net earnings per revenue train mile	1.007	.922	.085	9.22	. . . . .	. . . . .
PASSENGER.						
Passenger revenue	\$3,509,825 33	\$3,155,715 13	\$354,110 20	11.22	. . . . .	. . . . .
Passenger train earnings	4,116,847 43	3,729,866 24	386,981 19	10.38	. . . . .	. . . . .
Number of passengers carried	4,535,233	4,199,490	335,743	7.99	. . . . .	. . . . .
Number of passengers carried one mile . . .	202,056,339	182,373,082	19,683,257	10.79	. . . . .	. . . . .
Average distance each passenger carried . .	44.55 miles	43.43 miles	1.12 miles	2.58	. . . . .	. . . . .
Average number of passengers one mile per mile of road	144,961	130,952	14,009	10.70	. . . . .	. . . . .
Average revenue per passenger	77.39 cents	75.15 cents	2.24 cents	2.98	. . . . .	. . . . .
Average revenue per passenger per mile . .	1.737 cents	1.730 cents	.007 cent	.40	. . . . .	. . . . .
Passenger train mileage	3,860,540	3,731,216	129,324	3.47	. . . . .	. . . . .
Passenger train mileage (including express) .	4,058,662	3,929,313	129,349	3.29	. . . . .	. . . . .
Passenger revenue per mile of road	\$2,518 04	\$2,265 95	\$252 09	11.13	. . . . .	. . . . .
Passenger revenue per train mile	90.92 cents	84.58 cents	6.34 cents	7.50	. . . . .	. . . . .
Passenger train earnings per mile of road . .	\$2,953 54	\$2,678 21	\$275 33	10.28	. . . . .	. . . . .
Passenger train earnings per train mile . . .	101.43 cents	94.92 cents	6.51 cents	6.86	. . . . .	. . . . .
Average number of passengers in each train .	52.34	48.88	3.46	7.08	. . . . .	. . . . .
Passenger car mileage	11,918,197	11,155,322	762,875	6.84	. . . . .	. . . . .
Baggage, mail, express, and dining car mileage	9,183,273	8,535,609	647,664	7.59	. . . . .	. . . . .
Total mileage of passenger train cars	21,101,470	19,690,931	1,410,539	7.16	. . . . .	. . . . .
Average number of passengers in each passen- ger car	16.95	16.35	.60	3.67	. . . . .	. . . . .
Average number of passenger cars in train . .	2.94	2.84	.10	3.52	. . . . .	. . . . .
Average number of baggage, mail, express, and dining cars in train	2.26	2.17	.09	4.15	. . . . .	. . . . .
Average number of cars in each passenger train	5.20	5.01	.19	3.79

Lehigh Valley Railroad Company

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FOR THE YEARS ENDED JUNE 30TH, 1905 AND 1904

FREIGHT.	1905	1904	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
Coal freight revenue	\$13,530,337 42	\$12,835,076 24	\$695,261 18	5.42		
Miscellaneous freight revenue	12,432,582 74	11,994,700 77	437,881 97	3.65		
Total freight revenue	\$25,962,920 16	\$24,829,777 01	\$1,133,143 15	4.56		
Number tons miscellaneous freight carried . .	11,255,918	10,214,946	1,040,972	10.19		
Number tons coal carried	12,518,369	11,694,151	824,218	7.05		
Total number tons carried, all revenue freight .	23,774,287	21,909,097	1,865,190	8.51		
Tons one mile, miscellaneous freight	2,222,876,759	2,130,890,295	91,986,464	4.32		
Tons one mile, coal	1,880,899,182	1,765,612,493	115,286,689	6.53		
Tons one mile, all revenue freight	4,103,775,941	3,896,502,788	207,273,153	5.32		
Average distance carried, all revenue freight .	172.61 miles	177.85 miles			5.24 miles	2.95
Average number of tons carried one mile per mile of road	2,944,160	2,797,865	146,295	5.23		
Average revenue per ton, all revenue freight .	109.21 cents	113.33 cents			4.12 cents	3.64
Average revenue per ton per mile, all revenue freight . . . . .	.633 cent	.637 cent			.004 cent	.63
Freight train mileage	8,195,176	8,014,974	180,202	2.25		
Freight revenue per mile of road	\$18,626 50	\$17,828 90	\$797 60	4.47		
Freight revenue per train mile	\$3.17	\$3.10	\$.07	2.26		
Average number of tons in each train	500.76	486.15	14.61	3.01		
Average number of tons in each loaded car .	20.31	19.76	.55	2.78		
Percentage of loaded cars in each freight train .	67.65	66.80	.85	1.27		
ALL FREIGHT, INCLUDING COMPANY'S SUPPLIES.						
Number of tons carried	25,824,784	23,930,481	1,894,303	7.92		
Number of tons carried one mile	4,250,365,365	4,070,955,137	179,410,228	4.41		
Average distance carried	164.58	170.12			5.54	3.26
Average number of tons in each train	518.64	507.92	10.72	2.11		
Average number of tons in each loaded car . .	21.03	20.65	.38	1.84		

CONDENSED BALANCE

TABLE 17

Dr.

THE LEHIGH VALLEY

ASSETS		
PROPERTY AND PLANT		\$17,533,466 25
TREASURY STOCK		350,000 00
SECURITIES OWNED		334,112 00
ADVANCES FOR COAL-MINING RIGHTS		5,364,280 46
CURRENT ASSETS:—		
Cash on deposit and in hands of Treasurer	\$760,451 43	
Cash in transit	429,807 66	
Stock of coal on hand	2,673,456 90	
Materials and supplies	176,669 70	
Bills receivable	55,261 85	
Mortgages receivable	25 00	
Due from companies and individuals	3,997,068 49	
		8,092,741 03
DEFERRED AND SUSPENDED ASSETS:—		
Premiums on unexpired insurance and other deferred assets		27,362 64
TRUSTEES OF SINKING FUNDS:—		
Cash and bonds in the hands of the Trustees		1,035,788 53
TOTAL ASSETS		\$32,737,750 91

SHEET OF JUNE 30TH, 1905

COAL COMPANY

Cr.

LIABILITIES		
CAPITAL STOCK	\$1,965,000 00	
FUNDED DEBT	12,968,000 00	
CERTIFICATES OF INDEBTEDNESS	10,537,000 00	
		\$25,470,000 00
CURRENT LIABILITIES :—		
Audited vouchers	\$2,137,034 99	
Wages due and unpaid	472,077 43	
Sundry accounts payable	109,370 62	
Royalties on coal mined and due lessors	17,674 60	
Bond interest due and payable	2,925 00	
Taxes due and payable	38,535 65	
		2,777,618 29
DEFERRED AND SUSPENDED LIABILITIES :—		
Royalties received from lessees, not accrued	\$119,701 92	
Interest on funded debt, accrued	324,200 00	
Taxes accrued	61,745 04	
Deferred real estate payments	92,666 66	
Miscellaneous	29,058 39	
		627,372 01
RESERVE ACCOUNTS :—		
Sinking funds and other reserves		2,211,459 23
PROFIT AND LOSS		1,651,301 38
TOTAL LIABILITIES		\$32,737,750 91

1905

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